

Dated the 7 Agrayayana, 1930 Saka
28 November, 2008

PRESS NOTE

**ESTIMATES OF GROSS DOMESTIC PRODUCT
FOR THE SECOND QUARTER (JULY-SEPTEMBER) OF 2008-09**

The Central Statistical Organisation (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for the second quarter (July-September) Q2 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

2. Quarterly GDP at factor cost at constant (1999-2000) prices for Q2 of 2008-09 is estimated at Rs. 7,71,451 crore, as against Rs. 7,16,982 crore in Q2 of 2007-08, showing a growth rate of 7.6 per cent over the corresponding quarter of previous year.

3. The economic activities which registered significant growth in Q2 of 2008-09 over Q2 of 2007-08 are, 'manufacturing' at 5 per cent, 'construction' at 9.7 percent, 'trade, hotels, transport and communication' at 10.8 per cent, 'financing, insurance, real estate and business services' at 9.2 per cent, and 'community, social and personal services' at 7.6 per cent. The growth rate in 'agriculture, forestry & fishing' is estimated at 2.7 per cent in this period.

4. According to the latest estimates available on the Index of Industrial Production (IIP), the index of mining, manufacturing and electricity, registered growth rates of 3.8 per cent, 4.7 per cent and 3.2 per cent, respectively in Q2 of 2008-09, as compared to the growth rates of 7.4 per cent, 8.9 per cent and 7.1 per cent in these industries in Q2 of 2007-08. The key indicators of construction sector, namely, cement and finished steel registered growth rates of 6.3 per cent and 4.8 per cent, respectively in Q2 of 2008-09, as against the growth rates of 10.3 per cent and 10.0 per cent, respectively in Q2 of 2007-08.

5. Among the services sectors, the key indicators of railways, namely, the net tonne kilometers and passenger kilometers have shown growth rates of 9.9 per cent and 12.0 per cent, respectively in Q2 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 (-) 1.7 per cent, 5.4 per cent, 5.7 per cent, (-) 13.7 per cent and 42.2 per cent, respectively in Q2 of 2008-09 over Q2 of 2007-08. The other key indicators, namely, aggregate bank deposits, and bank credits have shown growth rates of 19.8 per cent, and 24.8 per cent, respectively in Q2 of 2008-09 over Q2 of 2007-08.

(b) At current prices

6. GDP at factor cost at current prices in Q2 of 2008-09, is estimated at Rs. 11,66,403 crore, as against Rs. 9,82,968 crore in Q2, 2007-08, showing an increase of 18.7 per cent.

7. The wholesale price index (WPI), in respect of the groups, food articles, fish, minerals, manufactured products, electricity and all commodities, has risen by 6.6 per cent, 3.3 per cent, 19.3 per cent, 11.1 per cent, 1.4 per cent and 12.4 per cent, respectively during Q2 of 2008-09, over Q2 of 2007-08. The consumer price index for industrial workers (CPI-IW) has shown a rise of 9.0 per cent during Q2 of 2008-09 over Q2 of 2007-08.

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 Rs. 7,20,439 crore in Q2 of 2008-09 as against Rs. 6,13,037 crore in Q2 of 2007-08. At constant (1999-2000) prices, the PFCE is estimated at Rs. 4,92,309 crore in Q2 of 2008-09 as against Rs. 4,68,855 crore in Q2 of 2007-08. In terms of GDP at market prices, the rates of PFCE at current and constant (1999-2000) prices during Q2 of 2008-09 are estimated at 56.4 per cent and 58.0 per cent, respectively, as against the corresponding rates of 56.8 per cent and 59.5 per cent, respectively in Q2 of 2007-08.

Government Final Consumption Expenditure

10. Government Final Consumption Expenditure (GFCE) at current prices is estimated at Rs. 1,15,201 crore in Q2 of 2008-09 as against Rs. 99,085 crore in Q2 of 2007-08. At constant (1999-2000) prices, the GFCE is estimated at Rs. 74,085 crore in Q2 of 2008-09 as against Rs. 68,219 crore in Q2 of 2007-08. In terms of GDP at market prices, the rates of GFCE at current and constant (1999-2000) prices during Q2 of 2008-09 are estimated at 9.0 per cent and 8.7 per cent, respectively, as against the corresponding rates of 9.2 per cent and 8.7 per cent, respectively in Q2 of 2007-08.

Gross Fixed Capital Formation

11. Gross Fixed Capital Formation (GFCF) at current prices is estimated at Rs. 4,80,508 crore in Q2 of 2008-09 as against Rs. 3,85,920 crore in Q2 of 2007-08. At constant (1999-2000) prices, the GFCF is estimated at Rs. 2,99,608 crore in Q2 of 2008-09 as against Rs. 2,63,322 crore in Q2 of 2007-08. In terms of GDP at market prices, the rates of GFCF at current and constant (1999-2000) prices during Q2 of 2008-09 are estimated at 37.6 per cent and 35.3 per cent, respectively, as against the corresponding rates of 35.7 per cent and 33.4 per cent, respectively in Q2 of 2007-08.

12. Estimates of GDP at factor cost by kind of economic activity and the Expenditures on GDP for Q2 and H1 (April-September) of 2006-07, 2007-08 and 2008-09 at constant (1999-2000) and current prices, are given in Statements 1 to 8.

13. The next release of quarterly GDP estimate for the quarter October-December, 2008 (Q3 of 2008-09) will be on **27.02.2009**.

**STATEMENT 1: QUARTERLY ESTIMATES OF GDP AT FACTOR COST
IN Q2 (JULY-SEPTEMBER) OF 2008-09
(at 1999-2000 prices)**

Industry	<i>(Rs. in crore)</i>						Percentage change over previous year			
	Gross Domestic Product		2007-08		2008-09		2007-08		2008-09	
	2006-07		Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. agriculture, forestry and fishing	122,660	98,606	128,042	103,199	131,831	106,007	4.4	4.7	3.0	2.7
2. mining and quarrying	13,852	12,916	14,084	13,621	14,760	14,151	1.7	5.5	4.8	3.9
3. manufacturing	103,009	106,853	114,269	116,685	120,705	122,474	10.9	9.2	5.6	5.0
4. electricity, gas and water supply	14,942	14,961	16,121	15,990	16,537	16,566	7.9	6.9	2.6	3.6
5. construction	48,967	48,745	52,720	54,478	58,715	59,751	7.7	11.8	11.4	9.7
6. trade, hotels, transport and communication	172,481	178,064	195,068	197,727	216,956	219,083	13.1	11.0	11.2	10.8
7. financing, ins., real est. and business services	97,331	99,526	109,559	111,833	119,738	122,077	12.6	12.4	9.3	9.2
8. community, social and personal services	90,404	96,043	95,086	103,451	103,114	111,343	5.2	7.7	8.4	7.6
GDP at factor cost	663,645	655,713	724,949	716,982	782,355	771,451	9.2	9.3	7.9	7.6

**STATEMENT 2: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP AT
MARKET PRICES IN Q2 (JULY-SEPTEMBER) OF 2008-09
(at 1999-2000 prices)**

Item	<i>(Rs. in crore)</i>						RATES OF GDP AT MARKET PRICES (%)			
	Expenditures of Gross Domestic Product		2007-08		2008-09		2007-08		2008-09	
	2006-07		Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. Private Final Consumption Expenditure (PFCE)	427,605	435,557	460,273	468,855	497,043	492,309	59.8	59.5	59.8	58.0
2. Government Final Consumption Expenditure (GFCE)	80,911	61,861	79,152	68,219	85,256	74,085	10.3	8.7	10.3	8.7
3. Gross Fixed Capital Formation (GFCF)	217,321	225,607	246,204	263,322	268,252	299,608	32.0	33.4	32.3	35.3
4. Change in Stocks	14,978	15,537	16,335	16,681	17,041	17,405	2.1	2.1	2.1	2.1
5. Valuables	9,243	9,367	9,480	10,580	10,974	11,657	1.2	1.3	1.3	1.4
6. Exports	172,606	135,973	182,881	132,133	215,896	149,502	23.8	16.8	26.0	17.6
7. <i>Less</i> Imports	180,579	194,898	191,460	195,727	236,312	239,919	24.9	24.8	28.4	28.3
8. Discrepancies	-37,244	33,351	-32,994	24,450	-27,469	43,630	-4.3	3.1	-3.3	5.1
GDP at market prices	704,841	722,355	769,870	788,513	830,681	848,278	100.0	100.0	100.0	100.0

**STATEMENT 3: QUARTERLY ESTIMATES OF GDP AT FACTOR COST
IN Q2 (JULY-SEPTEMBER) OF 2008-09
(at current prices)**

Industry	<i>(Rs. in crore)</i> Gross Domestic Product						Percentage change over previous year			
	2006-07		2007-08		2008-09		2007-08		2008-09	
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. agriculture, forestry and fishing	155,326	127,706	175,004	143,319	193,618	160,244	12.7	12.2	10.6	11.8
2. mining and quarrying	23,943	22,954	27,396	24,692	30,358	30,682	14.4	7.6	10.8	24.3
3. manufacturing	140,869	148,829	165,280	170,305	190,351	198,668	17.3	14.4	15.2	16.7
4. electricity, gas and water supply	17,009	17,271	18,790	18,643	19,546	19,583	10.5	7.9	4.0	5.0
5. construction	73,912	75,247	83,865	87,534	102,253	107,923	13.5	16.3	21.9	23.3
6. trade, hotels, transport and communication	212,200	220,224	248,228	248,151	292,898	297,904	17.0	12.7	18.0	20.0
7. financing, ins., real est. and business services	122,772	127,999	145,106	149,195	173,497	182,914	18.2	16.6	19.6	22.6
8. community, social and personal services	114,473	124,630	127,198	141,128	150,010	168,484	11.1	13.2	17.9	19.4
GDP at factor cost	860,505	864,860	990,867	982,968	1,152,531	1,166,403	15.1	13.7	16.3	18.7

**STATEMENT 4: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP AT
MARKET PRICES IN Q2 (JULY-SEPTEMBER) OF 2008-09
(at current prices)**

Item	<i>(Rs. in crore)</i> Expenditures of Gross Domestic Product						RATES OF GDP AT MARKET PRICES (%)			
	2006-07		2007-08		2008-09		2007-08		2008-09	
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. Private Final Consumption Expenditure (PFCE)	524,769	547,833	595,537	613,037	698,797	720,439	56.1	56.8	56.7	56.4
2. Government Final Consumption Expenditure (GFCE)	109,446	85,779	111,932	99,085	131,273	115,201	10.5	9.2	10.6	9.0
3. Gross Fixed Capital Formation (GFCF)	298,053	314,446	357,044	385,920	421,206	480,508	33.6	35.7	34.2	37.6
4. Change in Stocks	21,908	23,146	25,625	26,404	28,025	29,337	2.4	2.4	2.3	2.3
5. Valuables	13,015	13,331	14,072	15,676	17,830	17,162	1.3	1.5	1.4	1.3
6. Exports	206,273	228,930	223,634	227,638	289,086	293,335	21.1	21.1	23.4	22.9
7. <i>Less</i> Imports	245,903	266,763	268,153	275,535	361,561	383,751	25.2	25.5	29.3	30.0
8. Discrepancies	-11,085	11,011	2,352	-12,291	8,288	6,072	0.2	-1.1	0.7	0.5
GDP at market prices	916,475	957,712	1,062,044	1,079,936	1,232,943	1,278,305	100.0	100.0	100.0	100.0

STATEMENT 5: ESTIMATES OF GDP IN H1 (APRIL-SEPTEMBER) OF 2008-09
(at 1999-2000 prices)

Industry	APRIL-SEPTEMBER (H1)				
	<i>(Rs. in crore)</i> Gross Domestic Product in H1 of			Percentage change Over previous year H1	
	2006-07	2007-08	2008-09	2007-08	2008-09
1. agriculture, forestry and fishing	221,266	231,241	237,838	4.5	2.9
2. mining and quarrying	26,768	27,704	28,910	3.5	4.4
3. manufacturing	209,862	230,954	243,179	10.1	5.3
4. electricity, gas and water supply	29,902	32,111	33,102	7.4	3.1
5. construction	97,712	107,198	118,465	9.7	10.5
6. trade, hotels, transport and communication	350,544	392,795	436,040	12.1	11.0
7. financing, ins., real est. and Business services	196,857	221,392	241,815	12.5	9.2
8. community, social and personal services	186,447	198,536	214,456	6.5	8.0
GDP at factor cost	1,319,358	1,441,931	1,553,806	9.3	7.8

STATEMENT 6: ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN H1 (APRIL-SEPTEMBER) OF 2008-09
(at 1999-2000 prices)

Item	APRIL-SEPTEMBER (H1)				
	<i>(Rs. in crore)</i> Expenditures of Gross Domestic Product in H1			Rates of GDP at market prices (%) in H1	
	2006-07	2007-08	2008-09	2007-08	2008-09
1. Private Final Consumption Expenditure (PFCE)	863,162	929,128	989,352	59.6	58.9
2. Government Final Consumption Expenditure	142,772	147,371	159,341	9.5	9.5
3. Gross Fixed Capital Formation (GFCF)	442,928	509,526	567,860	32.7	33.8
4. Change in Stocks	30,515	33,016	34,446	2.1	2.1
5. Valuables	18,610	20,060	22,632	1.3	1.3
6. Exports	308,579	315,014	365,398	20.2	21.8
7. <u>Less</u> Imports	375,477	387,187	476,232	24.8	28.4
8. Discrepancies	-3,892	-8,544	16,161	-0.5	1.0
GDP at market prices	1,427,196	1,558,383	1,678,958	100.0	100.0

STATEMENT 7: ESTIMATES OF GDP IN H1 (APRIL-SEPTEMBER) OF 2008-09
(at current prices)

Industry	APRIL-SEPTEMBER (H1)				
	(Rs. in crore)			Percentage change over previous year H1	
	Gross Domestic Product in H1 of			2007-08	2008-09
	2006-07	2007-08	2008-09		
1. agriculture, forestry and fishing	283,032	318,323	353,862	12.5	11.2
2. mining and quarrying	46,897	52,088	61,040	11.1	17.2
3. manufacturing	289,698	335,586	389,020	15.8	15.9
4. electricity, gas and water supply	34,281	37,433	39,130	9.2	4.5
5. construction	149,159	171,400	210,175	14.9	22.6
6. trade, hotels, transport and communication	432,424	496,379	590,802	14.8	19.0
7. financing, ins., real est. and Business services	250,771	294,301	356,411	17.4	21.1
8. community, social and personal services	239,103	268,326	318,494	12.2	18.7
GDP at factor cost	1,725,365	1,973,834	2,318,934	14.4	17.5

STATEMENT 8: ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN H1 (APRIL-SEPTEMBER) OF 2008-09
(at current prices)

Item	APRIL-SEPTEMBER (H1)				
	(Rs. in crore)			Rates of GDP at market prices (%) in H1	
	Expenditures of Gross Domestic Product in H1			2007-08	2008-09
	2006-07	2007-08	2008-09		
1. Private Final Consumption Expenditure (PFCE)	1,072,603	1,208,574	1,419,236	56.4	56.5
2. Government Final Consumption Expenditure	195,224	211,018	246,474	9.9	9.8
3. Gross Fixed Capital Formation (GFCF)	612,500	742,964	901,714	34.7	35.9
4. Change in Stocks	45,053	52,030	57,362	2.4	2.3
5. Valuables	26,347	29,749	34,993	1.4	1.4
6. Exports	435,202	451,272	582,421	21.1	23.2
7. <i>Less</i> Imports	512,667	543,688	745,312	25.4	29.7
8. Discrepancies	-74	-9,939	14,360	-0.5	0.6
GDP at market prices	1,874,187	2,141,979	2,511,248	100.0	100.0

H1: April-September