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**PRESS NOTE**

**ESTIMATES OF GROSS DOMESTIC PRODUCT**

**FOR THE FIRST QUARTER (APRIL-JUNE) OF 2007-08**

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 2007-08, both at constant (1999-2000) and current prices, alongwith the corresponding annual and 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 Q1 of 2007-08 is estimated at Rs 7,23,132 crore, as against Rs. 6,61,335 crore in Q1 of 2006-07, showing a growth rate of 9.3 per cent over the corresponding quarter of previous year.

3. The economic activities which registered significant growth in Q1 of 2007-08 over Q1 of 2006-07 are, 'manufacturing' at 11.9 per cent, 'electricity, gas & water supply' at 8.3 per cent, 'construction' at 10.7 per cent, 'trade, hotels, transport and communication' at 12.0 per cent, 'financing, insurance, real estate and business services' at 11.0 per cent, and 'community, social and personal services' at 7.6 per cent. The growth rates in 'agriculture, forestry & fishing' and 'mining & quarrying' are estimated at 3.8 per cent, and 3.2 per cent, respectively during this period.

4. 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 2007-08, the crops rice, wheat, coarse cereals and pulses during the Rabi season (which ended in June, 2007) of 2006-07 recorded growth rates of (-) 6.4 per cent, 8.0 per cent, 17.1 per cent, and 11.4 per cent, respectively over the corresponding season in the previous agriculture year. Among the commercial crops, the production of oilseeds declined by 11.3 per cent during the rabi season of 2006-07, while the production of cotton and sugarcane recorded growth rates of 22.7 per cent and 22.8 per cent, respectively during the agriculture year 2006-07.

5. According to the latest estimates available on the Index of Industrial Production (IIP), the index of mining, manufacturing and electricity, registered growth rates of 3.2 per cent, 11.9 per cent and 8.3 per cent, respectively during Q1 of 2007-08, as compared to the growth rates of 3.6 per cent, 11.7 per cent and 5.3 per cent in these sectors during Q1 of 2006-07. The key indicators of construction sector, namely, cement and finished steel registered growth rates of 6.8 per cent and 7.7 per cent, respectively during Q1 of 2007-08, as against the growth rates of 10.2 per cent and 10.3 per cent, respectively in Q1 of 2006-07.

6. Among the services sectors, the key indicators of railways, namely, the net tonne kilometers and passenger kilometers have shown growth rates of 2.6 per cent and 5.1 per cent, respectively during Q1 of 2007-08. 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 6.6 per cent, 14.3 per cent, 11.6 per cent, 21.8 per cent and 47.0 per cent, respectively during Q1 of 2007-08 over Q1 of 2006-07. The other key indicators, namely, aggregate bank deposits, and bank credits have shown growth rates of 26.1 per cent, and 25.9 per cent, respectively during Q1 of 2007-08 over Q1 of 2006-07.

(b) At current prices

7. GDP at factor cost at current prices in Q1 of 2007-08, is estimated at Rs. 9,78,760 crore, as against Rs. 8,50,797 crore in Q1, 2006-07, showing an increase of 15.0 per cent.

The wholesale price index (WPI), in respect of the groups, food articles, fish, minerals, manufactured products, electricity and all commodities, has risen by 8.0 per cent, 3.4 per cent, 13.0 per cent, 5.7 per cent, 2.4 per cent and 5.4 per cent, respectively during Q1 of 2007-08, over Q1 of 2006-07. The consumer price index for industrial workers (CPI-IW) has shown a rise of 6.3 per cent during Q1 of 2007-08 over Q1 of 2006-07.

**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**

10. Private Final Consumption Expenditure (PFCE) at current prices is estimated at Rs. 6,10,376 crore in Q1 of 2007-08 as against Rs. 5,43,469 crore in Q1 of 2006-07. At constant (1999-2000) prices, the PFCE is estimated at Rs. 4,52,370 crore in Q1 of 2007-08 as against Rs. 4,28,243 crore in Q1 of 2006-07. In terms of GDP at market prices, the rates of PFCE at current and constant (1999-2000) prices during Q1 of 2007-08 are estimated at 57.6 per cent and 58.8 per cent, respectively, as against the corresponding rates of 59.5 per cent and 60.8 per cent, respectively in Q1 of 2006-07.

**Government Final Consumption Expenditure**

11. Government Final Consumption Expenditure (GFCE) at current prices is estimated at Rs. 1,41,011 crore in Q1 of 2007-08 as against Rs. 1,19,973 crore in Q1 of 2006-07. At constant (1999-2000) prices, the GFCE is estimated at Rs. 97,438 crore in Q1 of 2007-08 as against Rs. 88,188 crore in Q1 of 2006-07. In terms of GDP at market prices, the rates of GFCE at current and constant (1999-2000) prices during Q1 of 2007-08 are estimated at 13.3 per cent and 12.7 per cent, respectively, as against the corresponding rates of 13.1 per cent and 12.5 per cent, respectively in Q1 of 2006-07.

**Gross Fixed Capital Formation**

12. Gross Fixed Capital Formation (GFCF) at current prices is estimated at Rs. 3,31,796 crore in Q1 of 2007-08 as against Rs. 2,67,472 crore in Q1 of 2006-07. At constant (1999-2000) prices, the GFCF is estimated at Rs. 2,28,103 crore in Q1 of 2007-08 as against Rs. 1,96,763 crore in Q1 of 2006-07. In terms of GDP at market prices, the rates of GFCF at current and constant (1999-2000) prices during Q1 of 2007-08 are estimated at 31.3 per cent and 29.6 per cent, respectively, as against the corresponding rates of 29.3 per cent and 27.9 per cent, respectively in Q1 of 2006-07.

9. Estimates of GDP at factor cost by kind of economic activity and the Expenditures on GDP for Q1 of 2005-06, 2006-07 and 2007-08 at constant (1999-2000) and current prices, are given in Statements 1 to 4.

10. The next release of quarterly GDP estimate for the quarter July-September, 2007(Q2 of 2007-08) will be on

**STATEMENT 1: QUARTERLY ESTIMATE OF GDP AT FACTOR COST IN Q1 (APRIL-JUNE) OF 2007-08**

(at 1999-2000 prices)

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			Percentage change	
	Gross Domestic Product			Over previous year	
	for Q1 of			Q1	
	2005-06	2006-07	2007-08	2006-07	2007-08
1. agriculture, forestry & fishing	119681	123029	127669	2.8	3.8
2. mining & quarrying	13049	13527	13960	3.7	3.2
3. manufacturing	92278	103639	115965	12.3	11.9
4. electricity, gas & water supply	14345	15172	16432	5.8	8.3
5. construction	41805	46207	51149	10.5	10.7
6. trade, hotels, transport & communication	154093	173205	193994	12.4	12.0
7. financing, ins., real est. & bus. services	84810	93943	104281	10.8	11.0
8. community, social & personal services	83195	92613	99681	11.3	7.6
<b>GDP at factor cost</b>	<b>603256</b>	<b>661335</b>	<b>723132</b>	<b>9.6</b>	<b>9.3</b>

**STATEMENT 2: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP AT MARKET PRICES IN Q1 (APRIL-JUNE) OF 2007-08**

(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				
	2005-06	2006-07	2007-08	2006-07	2007-08
1. 1. Private Final Consumption Expenditure (PFCE)	402035	428243	452370	60.8	58.8
1. 2. Government Final Consumption Expenditure	59759	88188	97438	12.5	12.7
1. 3. Gross Fixed Capital Formation (GFCF)	169958	196763	228103	27.9	29.6
1. 4. Change in Stocks	18463	20339	22051	2.9	2.9
1. 5. Valuables	8402	11625	12850	1.7	1.7
1. 6. Exports	118485	130690	137858	18.6	17.9
1. 7. Less Imports	112204	125329	145532	17.8	18.9
<b>GDP at market prices</b>	<b>651546</b>	<b>704407</b>	<b>769343</b>		

**STATEMENT 3: QUARTERLY ESTIMATE OF GDP AT FACTOR COST IN Q1 (APRIL-JUNE) OF 2007-08**

(at current prices)

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			Percentage change	
	Gross Domestic Product			Over previous year	
	for Q1 of			Q1	
	2005-06	2006-07	2007-08	2006-07	2007-08
1. agriculture, forestry & fishing	135056	148304	165247	9.8	11.4
2. mining & quarrying	20629	24031	25114	16.5	4.5
3. manufacturing	121148	139290	164691	15.0	18.2
4. electricity, gas & water supply	16225	17630	19545	8.7	10.9
5. construction	51406	59407	69292	15.6	16.6
6. trade, hotels, transport & communication	186381	216359	251799	16.1	16.4
7. financing, ins., real est. & bus. services	108800	125694	146603	15.5	16.6
8. community, social & personal services	102423	120082	136469	17.2	13.6
<b>GDP at factor cost</b>	<b>742067</b>	<b>850797</b>	<b>978760</b>	<b>14.7</b>	<b>15.0</b>

**STATEMENT 4: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP AT MARKET PRICES IN Q1 (APRIL-JUNE) OF 2007-08**

(at current prices)

Industry	APRIL-JUNE (Q1)				
	(Rs. in crore)			RATES OF GDP AT MARKET PRICES (%)	
	Expenditures of Gross Domestic Product for Q1 of				
	2005-06	2006-07	2007-08	2006-07	2007-08
1. 1. Private Final Consumption Expenditure (PFCE)	482349	543469	610376	59.5	57.6
1. 2. Government Final Consumption Expenditure	76774	119973	141011	13.1	13.3
1. 3. Gross Fixed Capital Formation (GFCF)	221168	267472	331796	29.3	31.3
1. 4. Change in Stocks	24250	27561	31122	3.0	2.9
1. 5. Valuables	9709	14015	17470	1.5	1.6
1. 6. Exports	159613	211947	245947	23.2	23.2
1. 7. Less Imports	189958	244051	297540	26.7	28.1
<b>GDP at market prices</b>	<b>804460</b>	<b>912693</b>	<b>1060512</b>		