



PRESS NOTE

ON

ESTIMATES OF GROSS DOMESTIC PRODUCT FOR THE SECOND QUARTER (JULY-SEPTEMBER) OF 2016-17

CENTRAL STATISTICS OFFICE

MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

GOVERNMENT OF INDIA

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PRESS NOTE

**ESTIMATES OF GROSS DOMESTIC PRODUCT
 FOR THE SECOND QUARTER (JULY-SEPTEMBER) OF 2016-17**

The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for the second quarter (July-September) Q2 of 2016-17, both at constant (2011-12) and current prices, alongwith the corresponding quarterly estimates of expenditure components of the GDP.

2. The details of the estimates GDP for Q2 of 2016-17 are presented below.

I. ESTIMATES OF GVA BY ECONOMIC ACTIVITY

(a) At constant(2011-2012)prices

3. GDP at constant (2011-12) prices in Q2 of 2016-17 is estimated at ₹ 29.63 lakh crore, as against ₹27.62 lakh crore in Q2 of 2015-16, showing a growth rate of 7.3 percent. Quarterly GVA at Basic Price at constant (2011-12) prices for Q2 of 2016-17 is estimated at ₹27.33 lakh crore, as against ₹25.52 lakh crore in Q2 of 2015-16, showing a growth rate of 7.1 per cent over the corresponding quarter of previous year.

4. The economic activities which registered growth of over 7.0 percent in Q2 of 2016-17 over Q2 of 2015-16 are 'Public administration, defence & other services', 'financial, insurance, real estate and professional services', 'manufacturing' and 'trade, hotels and transport & communication and services related to broadcasting'. The growth in the 'agriculture, forestry and fishing', 'mining and quarrying', 'electricity, gas, water supply & other utility services, and 'construction' is estimated to be 3.3 per cent, (-)1.5 percent, 3.5 per cent and 3.5 per cent respectively, during this period.

5. Industry analysis

The second quarter estimates are based on agricultural production during Kharif 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 July-September 2016. Performance of key indicators of sectors like transport including railways, road, air and water transport etc., communication, banking and insurance during the period July-September 2016 have been taken into account while compiling the estimates. Performance of the corporate sector during July-September 2016 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 Q2 of 2016-17 from ‘agriculture, forestry and fishing’ sector grew by 3.3 percent as compared to growth of 2.0 percent in Q2 2015-16. 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 Q2 of 2016-17, the production of food grains during the Kharif season of agriculture year 2016-17 was 8.9 percent as compared to decline of 3.2 percent during the same period in 2015-16. Around 51.0 percent of GVA of this sector is based on the livestock products, forestry and fisheries, which registered a combined growth of around 3.6 percent in Q2 of 2016-17.

Mining and quarrying

5.2. Quarterly GVA at basic prices for Q2 of 2016-17 from ‘mining and quarrying’ sector declined by (-) 1.5 percent as compared to growth of 5.0 percent in Q2 of 2015-16. As per the available information, private corporate sector growth in the mining sector as estimated for major listed companies at current prices is (-)1.1 percent in Q2 of 2016-17. The key indicators of mining sector, namely, production of coal, crude oil, natural gas and IIP mining registered growth rates of -3.5 per cent, -3.3 percent, -2.8 percent and -2.7 percent respectively during Q2 of 2016-17 as compared to 0.9 percent, 1.7 percent, 0.03 percent and 3.1 percent respectively in Q2 of 2015-16.

Manufacturing

5.3 Quarterly GVA at basic prices for Q2 of 2016-17 from ‘manufacturing’ sector grew by 7.1 percent as compared to growth of 9.2 percent in Q2 of 2015-16. The private corporate sector growth (which has a share of over 70 percent in the manufacturing sector) as estimated from available data of listed companies with BSE and NSE is 11.9 percent at current prices during Q2 of 2016-17. The growth in quasi - corporate and unorganized segment (which includes individual proprietorships and partnerships and khadi & village Industries has a share of around 22 percent in the manufacturing sector) has been estimated using IIP of manufacturing. IIP manufacturing registered growth rate of (-) 0.9 percent during Q2 of 2016-17 as compared to 4.7 percent in Q2 of 2015-16.

Electricity, Gas, water supply and other utility services

5.4 Quarterly GVA at basic prices for Q2 of 2016-17 from ‘Electricity, Gas, water supply and other utility services’ sector grew by 3.5 percent as compared to growth of 7.5 percent in Q2 of 2015-16. The key indicator of this sector, namely, IIP of Electricity registered growth rate of 1.4 percent during Q2 of 2016-17 as compared to 6.8 percent in Q2 of 2015-16.

Construction

5.5 Quarterly GVA at basic prices for Q2 of 2016-17 from 'Construction' sector grew by 3.5 percent as compared to growth of 0.8 percent in Q2 of 2015-16. Key indicators of construction sector, namely, production of cement and consumption of finished steel registered growth rates of 3.3 percent and 4.8 percent respectively during Q2 of 2016-17.

Trade, hotels and Transport & communication and services related to broadcasting

5.6. Quarterly GVA at basic prices for Q2 of 2016-17 from this sector grew by 7.1 percent as compared to growth of 6.7 percent in Q2 of 2015-16. 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 13.1 percent during Q2 of 2016-17. Among the other services sectors, the key indicators of railways, namely, the net tonne kilometres and passenger kilometres have shown growth rate of (-) 8.1 per cent and 0.4 percent respectively during Q2 of 2016-17. 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 21.1 percent, 8.1 percent and 4.1 percent, respectively, during Q2 of 2016-17.

Financial, insurance, real estate and professional services

5.7 Quarterly GVA at basic prices for Q2 of 2016-17 from this sector grew 8.2 percent as compared to growth of 11.9 percent in Q2 of 2015-16. Major component of this industry is the real estate and professional services which has a share of 76 percent. The key indicators of this sector are the quarterly growth of corporate sector for real estate sector and computer related activities which as estimated from available data from listed companies at current prices are (-)2.0 percent and 7.8 percent, respectively, during Q2 of 2016-17. The other indicators of this sector, viz., aggregate bank deposits and bank credits have shown growth rates of 11.3 per cent, and 10.4 per cent, respectively as on September 2016 as against growth of 10.6 percent and 9.1 percent respectively as on September 2015.

Public administration and defence and other services

5.8 Quarterly GVA at basic prices for Q2 of 2016-17 from this sector grew by 12.5 percent as compared to growth of 6.9 percent in Q2 of 2015-16. The key indicator of this sector namely, Union Government expenditure, net of interest payments and subsidies, grew by 20.8 percent during Q2 of 2016-17 as compared to 1.1 percent in Q2 of 2015-16.

(b) At current prices

6. GDP is derived by adding taxes on products, net of subsidies on products, to GVA at basic prices. Growth in collection of Union Excise duties, customs duties and service tax was 40.7 percent, (-)5.2 percent and 19.2 percent respectively in Q2 of 2016-17. GDP at current prices in Q2 of 2016-17 is estimated at ₹36.43 lakh crore, as against ₹32.49 lakh crore in Q2 of 2015-16, showing a growth rate of 12.1 percent. GVA at basic price at current prices in Q2 of 2016-17, is estimated at ₹33.42 lakh crore, as against ₹30.02 lakh crore in Q2 of 2015-16, showing an increase of 11.3 per cent.

(c) Price indices used as deflators

7. The wholesale price index (WPI), in respect of the groups - food articles, minerals, manufactured products and all commodities, has registered a growth of 9.0 per cent, (-)10.2 percent, 2.3 per cent, and 3.7 percent respectively whereas electricity declined by 2.8 percent during Q2 of 2016-17 over Q2 of 2015-16. The consumer price index has shown a rise of 5.2 per cent during Q2 of 2016-17 over Q2 of 2015-16.

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 ₹21.78 lakh crore in Q2 of 2016-17 as against ₹19.37 lakh crore in Q2 of 2015-16. At constant (2011-12) prices, the PFCE is estimated at ₹16.26 lakh crore in Q2 of 2016-17 as against ₹15.11 lakh crore in Q2 of 2015-16. In terms of GDP, the rates of PFCE at current and constant (2011-2012) prices during Q2 of 2016-17 are estimated at 59.8 per cent and 54.9 per cent, respectively, as against the corresponding rates of 59.6 per cent and 54.7 per cent, respectively in Q2 of 2015-16. Growth rates of PFCE at current and constant prices are estimated at 12.4 percent and 7.6 percent during Q2 of 2016-17 as compared to 9.5 percent and 6.3 percent respectively during Q2 of 2015-16.

Government Final Consumption Expenditure

10. Government Final Consumption Expenditure (GFCE) at current prices is estimated at ₹5.15 lakh crore in Q2 of 2016-17 as against ₹4.27 lakh crore in Q2 of 2015-16. At constant (2011-2012) prices, the GFCE is estimated at ₹3.84 lakh crore in Q2 of 2016-17 as against ₹3.33 lakh crore in Q2 of 2015-16. In terms of GDP, the rates of GFCE at current and constant (2011-2012) prices during Q2 of 2016-17 are estimated at 14.1 per cent and 13.0 per cent, respectively, as against the corresponding rate of 13.1 per cent and 12.1 per cent each in Q2 of 2015-16. Growth rates of GFCE at current and constant prices are estimated at 20.8 percent and 15.2 percent respectively during Q2 of 2016-17 as compared to 5.8 percent and 3.3 percent respectively during Q2 of 2015-16.

Gross Fixed Capital Formation

11. Gross Fixed Capital Formation (GFCF) at current prices is estimated at ₹9.86 lakh crore in Q2 of 2016-17 as against ₹10.19 lakh crore in Q2 of 2015-16. At constant (2011-2012) prices, the GFCF is estimated at ₹8.58 lakh crore in Q2 of 2016-17 as against ₹9.09 lakh crore in Q2 of 2015-16. In terms of GDP, the rates of GFCF at current and constant (2011-2012) prices during Q2 of 2016-17 are estimated at 27.1 per cent and 29.0 per cent, respectively, as against the corresponding rates of 31.4 per cent and 32.9 per cent respectively in Q2 of 2015-16. Growth rates of GFCF at current and constant prices are estimated at (-) 3.2 percent and (-) 5.6 percent during Q2 of 2016-17 as compared to 7.5 percent and 9.7percent during Q2 of 2015-16.

12. Estimates of GVA at basic price by kind of economic activity and the Expenditures on GDP for Q2 and during April-September of 2014-15, 2015-16 and 2016-17 at constant (2011-12) and current prices, are given in Statements 1 to 8.

13. The next release of quarterly GDP estimate for the quarter October-December, 2016 (Q3 of 2016-17) will be on **28.02.2017**.

**STATEMENT 1: QUARTERLY ESTIMATES OF GVA AT BASIC PRICES
IN Q2 (JULY-SEPTEMBER) OF 2016-17
(at 2011-12 prices)**

Industry	GVA at Basic Price (₹ in crore)						Percentage change over previous year			
	2014-15		2015-16		2016-17		2015-16		2016-17	
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. agriculture, forestry & fishing	358482	293560	367623	299531	374390	309538	2.6	2.0	1.8	3.3
2. mining & quarrying	79708	60841	86444	63854	86091	62922	8.5	5.0	-0.4	-1.5
3. manufacturing	418682	414049	449280	452062	490164	484150	7.3	9.2	9.1	7.1
4. electricity, gas, water supply & other utility services	54853	54845	57037	58942	62378	60994	4.0	7.5	9.4	3.5
5. construction	213576	209577	225637	211298	229092	218676	5.6	0.8	1.5	3.5
6. trade, hotel, transport, communication & services related to broadcasting	439474	439818	483238	469191	522610	502432	10.0	6.7	8.1	7.1
7. financial, insurance, real estate & professional services	531933	584292	581471	653971	635963	707612	9.3	11.9	9.4	8.2
8. Public administration, defence & other services	283826	321195	300705	343247	337630	386196	5.9	6.9	12.3	12.5
GVA at Basic Price	2380534	2378178	2551435	2552095	2738318	2732519	7.2	7.3	7.3	7.1

**STATEMENT 2: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP
IN Q2 (JULY-SEPTEMBER) OF 2016-17
(at 2011-12 prices)**

Item	Expenditures of Gross Domestic Product (₹ in crore)						RATES OF GDP AT MARKET PRICES (%)			
	2014-15		2015-16		2016-17		2015-16		2016-17	
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. Private Final Consumption Expenditure (PFCE)	1406817	1422029	1504442	1511464	1605527	1625619	55.2	54.7	55.0	54.9
2. Government Final Consumption Expenditure (GFCE)	294338	322557	293720	333116	349059	383906	10.8	12.1	12.0	13.0
3. Gross Fixed Capital Formation (GFCF)	832420	828754	891627	909117	863956	858337	32.7	32.9	29.6	29.0
4. Change in Stocks	48976	48434	50754	51068	54345	53462	1.9	1.8	1.9	1.8
5. Valuables	42871	38194	43138	42932	22129	22756	1.6	1.6	0.8	0.8
6. Exports	620869	625875	585324	599264	604052	601193	21.5	21.7	20.7	20.3
7. <u>Less</u> Imports	661700	681230	645577	677465	607953	616498	23.7	24.5	20.8	20.8
8. Discrepancies	-49687	-36835	761	-7146	26232	34059	0.0	-0.3	0.9	1.1
GDP	2534903	2567778	2724188	2762350	2917348	2962834	100.0	100.0	100.0	100.0
GDP (Percentage change over previous year)			7.5	7.6	7.1	7.3				

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**STATEMENT 3: QUARTERLY ESTIMATES OF GVA AT BASIC PRICES
IN Q2 (JULY-SEPTEMBER) OF 2016-17
(at current prices)**

Industry	GVA at Basic Price (₹ in crore)						Percentage change over previous year			
	2014-15		2015-16		2016-17		2015-16		2016-17	
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. agriculture, forestry & fishing	440336	381132	466308	387595	504381	431548	5.9	1.7	8.2	11.3
2. mining & quarrying	91393	68668	96870	68781	97614	70200	6.0	0.2	0.8	2.1
3. manufacturing	463326	461155	494225	494597	545229	541919	6.7	7.3	10.3	9.6
4. electricity, gas, water supply & other utility services	72870	72802	77069	82772	85190	83298	5.8	13.7	10.5	0.6
5. construction	251972	251830	260151	242294	267375	260097	3.2	-3.8	2.8	7.3
6. trade, hotel, transport, communication & services related to broadcasting	515657	525519	555922	536937	608714	594979	7.8	2.2	9.5	10.8
7. financial, insurance, real estate & professional services	618229	692696	660964	740485	731238	830795	6.9	6.9	10.6	12.2
8. Public administration, defence & other services	349424	405492	390350	448645	460094	529268	11.7	10.6	17.9	18.0
GVA at Basic Price	2803207	2859293	3001859	3002105	3299835	3342103	7.1	5.0	9.9	11.3

**STATEMENT 4: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP
IN Q2 (JULY-SEPTEMBER) OF 2016-17
(at current prices)**

Item	Expenditures of Gross Domestic Product (₹ in crore)						RATES OF GDP AT MARKET PRICES (%)			
	2014-15		2015-16		2016-17		2015-16		2016-17	
	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2	Q1	Q2
1. Private Final Consumption Expenditure (PFCE)	1701060	1768531	1898161	1936782	2119544	2177808	59.8	59.6	60.5	59.8
2. Government Final Consumption Expenditure (GFCE)	353530	403302	364372	426564	452915	515228	11.5	13.1	12.9	14.1
3. Gross Fixed Capital Formation (GFCF)	940407	948182	1004712	1019137	993514	986286	31.6	31.4	28.3	27.1
4. Change in Stocks	55371	55112	58099	58142	64223	63767	1.8	1.8	1.8	1.8
5. Valuables	47668	42468	46526	46304	24512	27236	1.5	1.4	0.7	0.7
6. Exports	706261	726455	665872	681643	701942	709357	21.0	21.0	20.0	19.5
7. <u>Less</u> Imports	799914	840101	759491	796865	732701	753834	23.9	24.5	20.9	20.7
8. Discrepancies	-87827	-50952	-103605	-123138	-118497	-82880	-3.3	-3.8	-3.4	-2.3
GDP	2916556	3052996	3174645	3248569	3505453	3642969	100.0	100.0	100.0	100.0
GDP (Percentage change over previous year)			8.8	6.4	10.4	12.1				

**STATEMENT 5: ESTIMATES OF GVA AT BASIC PRICES IN H1
(APRIL-SEPTEMBER) OF 2016-17
(at 2011-12 prices)**

Industry	APRIL-SEPTEMBER (H1)				
	GVA at Basic Price in H1 (₹ in crore)			Percentage change Over previous year H1	
	2014-15	2015-16	2016-17	2015-16	2016-17
1. agriculture, forestry & fishing	652042	667154	683928	2.3	2.5
2. mining & quarrying	140549	150298	149013	6.9	-0.9
3. manufacturing	832732	901342	974314	8.2	8.1
4. electricity, gas, water supply & other utility services	109698	115979	123372	5.7	6.4
5. construction	423152	436935	447767	3.3	2.5
6. trade, hotel, transport, communication & services related to broadcasting	879292	952429	1025042	8.3	7.6
7. financial, insurance, real estate & professional services	1116225	1235442	1343575	10.7	8.8
8. Public administration, defence & other services	605022	643951	723826	6.4	12.4
GVA at Basic Price	4758712	5103531	5470836	7.2	7.2

**STATEMENT 6: ESTIMATES OF EXPENDITURES OF GDP IN H1
(APRIL-SEPTEMBER) OF 2016-17
(at 2011-12 prices)**

Item	APRIL-SEPTEMBER (H1)				
	Expenditures of Gross Domestic Product in H1 (₹. in crore)			Rates of GDP at market prices (%) in H1	
	2014-15	2015-16	2016-17	2015-16	2016-17
1. Private Final Consumption Expenditure (PFCE)	2828846	3015906	3231147	55.0	54.9
2. Government Final Consumption Expenditure	616896	626837	732964	11.4	12.5
3. Gross Fixed Capital Formation (GFCF)	1661174	1800744	1722294	32.8	29.3
4. Change in Stocks	97409	101821	107807	1.9	1.8
5. Valuables	81065	86070	44886	1.6	0.8
6. Exports	1246743	1184588	1205245	21.6	20.5
7. <i>Less</i> Imports	1342930	1323042	1224450	24.1	20.8
8. Discrepancies	-86522	-6386	60290	-0.1	1.0
GDP	5102681	5486538	5880182	100.0	100.0
GDP (Percentage change over previous year)		7.5	7.2		

**STATEMENT 7: ESTIMATES OF GVA AT BASIC PRICES IN H1
(APRIL-SEPTEMBER) OF 2016-17
(at current prices)**

Industry	APRIL-SEPTEMBER (H1)				
	GVA at Basic Price in H1 (₹ in crore)			Percentage change over previous year H1	
	2014-15	2015-16	2016-17	2015-16	2016-17
1. agriculture, forestry & fishing	821468	853903	935928	3.9	9.6
2. mining & quarrying	160061	165651	167814	3.5	1.3
3. manufacturing	924481	988822	1087147	7.0	9.9
4. electricity, gas, water supply & other utility services	145672	159841	168488	9.7	5.4
5. construction	503802	502446	527472	-0.3	5.0
6. trade, hotel, transport, communication & services related to broadcasting	1041175	1092858	1203693	5.0	10.1
7. financial, insurance, real estate & professional services	1310925	1401449	1562034	6.9	11.5
8. Public administration, defence & other services	754916	838996	989362	11.1	17.9
GVA at Basic Price	5662500	6003965	6641938	6.0	10.6

**STATEMENT 8: ESTIMATES OF EXPENDITURES OF GDP IN H1
(APRIL-SEPTEMBER) OF 2016-17
(at current prices)**

Item	APRIL-SEPTEMBER (H1)				
	Expenditures of Gross Domestic Product in H1 (₹ in crore)			Rates of GDP at market prices (%) in H1	
	2014-15	2015-16	2016-17	2015-16	2016-17
1. Private Final Consumption Expenditure (PFCE)	3469591	3834944	4297353	59.7	60.1
2. Government Final Consumption Expenditure	756832	790936	968143	12.3	13.5
3. Gross Fixed Capital Formation (GFCF)	1888589	2023848	1979801	31.5	27.7
4. Change in Stocks	110483	116241	127990	1.8	1.8
5. Valuables	90135	92829	51748	1.4	0.7
6. Exports	1432716	1347514	1411299	21.0	19.7
7. <u>Less</u> Imports	1640015	1556357	1486535	24.2	20.8
8. Discrepancies	-138779	-226743	-201377	-3.5	-2.8
GDP	5969552	6423214	7148422	100.0	100.0
GDP (Percentage change over previous year)		7.6	11.3		

H1: April- September