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PRESS NOTE

ESTIMATES OF GROSS DOMESTIC PRODUCT FOR THE SECOND QUARTER (JULY-SEPTEMBER) 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 second quarter (July-September) Q2, of 2007-08, 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 2007-08 is estimated at Rs. 7,10,578 crore, as against Rs. 6,52,450 crore in Q2 of 2006-07, showing a growth rate of 8.9 per cent over the corresponding quarter of previous year.

3 The economic activities which registered significant growth in Q2 of 2007-08 over Q2 of 2006-07 are, 'mining & quarrying' at 7.7 per cent, 'manufacturing' at 8.6 per cent, 'electricity, gas & water supply' at 7.3 per cent, 'construction' at 11.1 percent, 'trade, hotels, transport and communication' at 11.4 per cent, 'financing, insurance, real estate and business services' at 10.6 per cent, and 'community, social and personal services' at 7.8 per cent. The growth rate in 'agriculture, forestry & fishing' is estimated at 3.6 per cent in 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 Q2 of 2007-08, the crops rice, coarse cereals and pulses during the Kharif season of 2007-08 recorded growth rates of zero per cent, 3.5 per cent, and 16.2 per cent, respectively over the corresponding season in the previous agriculture year. Among the commercial crops, the production of oilseeds increased by 15.7 per cent during the Kharif season of 2007-08, while the production of cotton and sugarcane is estimated to grow at 1.1 per cent and 0.1 per cent, respectively during the agriculture year 2007-08.

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 8.1 per cent, 8.3 per cent and 7.1 per cent, respectively in Q2 of 2007-08, as compared to the growth rates of 2.6 per cent, 13.0 per cent and 8.0 per cent in these sectors in Q2 of 2006-07. The key indicators of construction sector, namely, cement and finished steel registered growth rates of 9.9 per cent and 9.6 per cent, respectively in Q2 of 2007-08, as against the growth rates of 11.1 per cent and 11.2 per cent, respectively in Q2 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 7.4 per cent and 6.9 per cent, respectively in Q2 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 (-) 0.2 per cent, 13.2 per cent, 22.1 per cent, 14.7 per cent and 46.3 per cent, respectively in Q2 of 2007-08 over Q2 of 2006-07. The other key indicators, namely, aggregate bank deposits, and bank credits have shown growth rates of 23.9 per cent, and 21.9 per cent, respectively in Q2 of 2007-08 over Q2 of 2006-07.

(b) At current prices

7. GDP at factor cost at current prices in Q2 of 2007-08, is estimated at Rs. 9,71,908 crore, as against Rs. 8,56,761 crore in Q2, 2006-07, showing an increase of 13.4 per cent.

8. The wholesale price index (WPI), in respect of the groups, food articles, fish, minerals, manufactured products, electricity and all commodities, has risen by 7.9 per cent, 2.5 per cent, 3.6 per cent, 4.6 per cent, 1.0 per cent and 4.1 per cent, respectively during Q2 of 2007-08, over Q2 of 2006-07. The consumer price index for industrial workers (CPI-IW) has shown a rise of 6.7 per cent during Q2 of 2007-08 over Q2 of 2006-07.

II ESTIMATES OF EXPENDITURES ON GDP

9.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. 5,99,861 crore in Q2 of 2007-08 as against Rs. 5,32,183 crore in Q2 of 2006-07. At constant (1999-2000) prices, the PFCE is estimated at Rs. 4,32,026 crore in Q2 of 2007-08 as against Rs. 4,09,097 crore in Q2 of 2006-07. In terms of GDP at market prices, the rates of PFCE at current and constant (1999-2000) prices during Q2 of 2007-08 are estimated at 55.5 per cent and 55.2 per cent, respectively, as against the corresponding rates of 55.8 per cent and 56.9 per cent, respectively in Q2 of 2006-07.

Government Final Consumption Expenditure

11. Government Final Consumption Expenditure (GFCE) at current prices is estimated at Rs. 1,12,291 crore in Q2 of 2007-08 as against Rs. 94,030 crore in Q2 of 2006-07. At constant (1999-2000) prices, the GFCE is estimated at Rs. 75,516 crore in Q2 of 2007-08 as against Rs. 67,423 crore in Q2 of 2006-07. In terms of GDP at market prices, the rates of GFCE at current and constant (1999-2000) prices during Q2 of 2007-08 are estimated at 10.4 per cent and 9.7 per cent, respectively, as against the corresponding rates of 9.9 per cent and 9.4 per cent, respectively in Q2 of 2006-07.

Gross Fixed Capital Formation

12. Gross Fixed Capital Formation (GFCF) at current prices is estimated at Rs. 3,48,772 crore in Q2 of 2007-08 as against Rs. 2,84,712 crore in Q2 of 2006-07. At constant (1999-2000) prices, the GFCF is estimated at Rs. 2,36,683 crore in Q2 of 2007-08 as against Rs. 2,05,494 crore in Q2 of 2006-07. In terms of GDP at market prices, the rates of GFCE at current and constant (1999-2000) prices during Q2 of 2007-08 are estimated at 32.3 per cent and 30.3 per cent, respectively, as against the corresponding rates of 29.9 per cent and 28.6 per cent, respectively in Q2 of 2006-07.

13. Estimates of GDP at factor cost by kind of economic activity and the Expenditures on GDP for Q2 and H1 (April-September) of 2005-06, 2006-07 and 2007-08 at constant (1999-2000) and current prices, are given in Statements 1 to 8.

14. The next release of quarterly GDP estimate for the quarter October-December, 2007 (Q3 of 2007-08) will be on **29.02.2008.**

STATEMENT 1: QUARTERLY ESTIMATES OF GDP AT FACTOR COST IN Q2 (JULY-SEPTEMBER) OF 2007-08

(at 1999-2000 prices)

Industry	Gross Domestic Product					(Rs. in crore)	**Percentage change over previous year**			
	2005-06		2006-07		2007-08		2006-07		2007-08	
	Q1	Q2	Q1	**Q2**	Q1	Q2	Q1	Q2	Q1	Q2
1. agriculture, forestry and fishing	1,19,681	95,195	1,23,029	97,947	1,27,669	1,01,487	2.8	2.9	3.8	3.6
2. mining and quarrying	13,049	12,147	13,527	12,625	13,961	13,598	3.7	3.9	3.2	7.7
3. manufacturing	92,278	95,367	1,03,639	1,07,505	1,15,964	1,16,705	12.3	12.7	11.9	8.6
4. electricity, gas and water supply	14,345	14,054	15,172	15,192	16,432	16,299	5.8	8.1	8.3	7.3
5. construction	41,805	41,855	46,207	46,500	51,150	51,678	10.5	11.1	10.7	11.1
6. trade, hotels, transport and communication	1,54,093	1,55,989	1,73,206	1,78,084	1,93,993	1,98,360	12.4	14.2	12.0	11.4
7. financing, ins., real est. and business services	84,810	86,454	93,943	96,072	1,04,281	1,06,272	10.8	11.1	11.0	10.6
8. community, social and personal services	83,195	90,967	92,613	98,524	99,681	1,06,179	11.3	8.3	7.6	7.8
GDP at factor cost	**6,03,256**	**5,92,028**	**6,61,336**	**6,52,450**	**7,23,131**	**7,10,578**	**9.6**	**10.2**	**9.3**	**8.9**

STATEMENT 2: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN Q2 (JULY-SEPTEMBER) OF 2007-08

(at 1999-2000 prices)

Item	*(Rs. in crore)* **Expenditures of Gross Domestic Product**						**RATES OF GDP AT MARKET PRICES (%)**			
	2005-06		2006-07		2007-08		2006-07		2007-08	
	Q1	Q2	Q1	**Q2**	Q1	Q2	Q1	Q2	Q1	Q2
1. 1. Private Final Consumption Expenditure (PFCE)	4,02,035	3,84,817	4,28,243	4,09,097	4,52,370	4,32,026	60.8	56.9	58.8	55.2
1. 2. Government Final Consumption Expenditure (GFCE)	59,759	74,651	88,188	67,423	97,437	75,516	12.5	9.4	12.7	9.7
1. 3. Gross Fixed Capital Formation (GFCF)	1,69,958	1,81,423	1,96,763	2,05,494	2,28,103	2,36,683	27.9	28.6	29.6	30.3
1. 4. Change in Stocks	18,463	19,081	20,339	21,098	22,051	22,903	2.9	2.9	2.9	2.9
1. 5. Valuables	8,402	7,706	11,625	11,332	12,850	13,554	1.7	1.6	1.7	1.7
1. 6. Exports	1,18,485	1,08,330	1,30,690	1,28,816	1,37,858	1,34,509	18.6	17.9	17.9	17.2
1. 7. *Less* Imports	1,12,204	1,02,899	1,25,329	1,22,172	1,45,533	1,21,560	17.8	17.0	18.9	15.5
GDP at market prices	**6,51,546**	**6,49,301**	**7,04,408**	**7,18,965**	**7,69,342**	**7,82,069**				

STATEMENT 3: QUARTERLY ESTIMATES OF GDP AT FACTOR COST

IN Q2 (JULY-SEPTEMBER) OF 2007-08

(at current prices)

	(Rs. in crore) **Gross Domestic Product**	**Percentage change** **over previous year**

Industry	2005-06		2006-07		2007-08		2006-07		2007-08	
	Q1	Q2	Q1	**Q2**	Q1	Q2	Q1	Q2	Q1	Q2
1. agriculture, forestry and fishing	1,35,056	1,10,834	1,48,304	1,20,851	1,65,246	1,34,146	9.8	9.0	11.4	11.0
2. mining and quarrying	20,629	20,118	24,031	23,060	25,114	25,740	16.5	14.6	4.5	11.6
3. manufacturing	1,21,148	1,25,725	1,39,290	1,47,160	1,64,691	1,67,095	15.0	17.0	18.2	13.5
4. electricity, gas and water supply	16,225	16,426	17,630	17,902	19,546	19,395	8.7	9.0	10.9	8.3
5. construction	51,406	52,377	59,407	61,142	69,292	70,719	15.6	16.7	16.6	15.7
6. trade, hotels, transport and communication	1,86,381	1,89,700	2,16,359	2,24,485	2,51,799	2,55,915	16.1	18.3	16.4	14.0
7. financing, ins., real est. and business services	1,08,800	1,12,582	1,25,694	1,31,075	1,46,604	1,50,523	15.5	16.4	16.6	14.8
8. community, social and personal services	1,02,423	1,14,541	1,20,082	1,31,086	1,36,469	1,48,374	17.2	14.4	13.6	13.2
GDP at factor cost	**7,42,067**	**7,42,302**	**8,50,797**	**8,56,761**	**9,78,760**	**9,71,908**	**14.7**	**15.4**	**15.0**	**13.4**

STATEMENT 4: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN Q2 (JULY-SEPTEMBER) OF 2007-08

(at current prices)

	(Rs. in crore) **Expenditures of Gross Domestic Product**	**RATES OF GDP AT MARKET PRICES (%)**

Item	2005-06		2006-07		2007-08		2006-07		2007-08	
	Q1	Q2	Q1	**Q2**	Q1	Q2	Q1	Q2	Q1	Q2
1. 1. Private Final Consumption Expenditure (PFCE)	4,82,349	4,72,040	5,43,469	5,32,183	6,10,376	5,99,861	59.5	55.8	57.6	55.5
1. 2. Government Final Consumption Expenditure (GFCE)	76,774	97,934	1,19,973	94,030	1,41,012	1,12,291	13.1	9.9	13.3	10.4
	2,21,168	2,39,238	2,67,455	2,84,712	3,31,795	3,48,772	29.3	29.9	31.3	32.3

GDP at factor cost	**7,42,067**	**7,42,302**	**8,50,797**	**8,56,761**	**9,78,760**	**9,71,908**	**14.7**	**15.4**	**15.0**	**13.4**

STATEMENT 4: QUARTERLY ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN Q2 (JULY-SEPTEMBER) OF 2007-08

(at current prices)

Item	*(Rs. in crore)* **Expenditures of Gross Domestic Product**						**RATES OF GDP AT MARKET PRICES (%)**			
	2005-06		2006-07		2007-08		2006-07		2007-08	
	Q1	Q2	Q1	**Q2**	Q1	Q2	Q1	Q2	Q1	Q2
1. 1. Private Final Consumption Expenditure (PFCE)	4,82,349	4,72,040	5,43,469	5,32,183	6,10,376	5,99,861	59.5	55.8	57.6	55.5
1. 2. Government Final Consumption Expenditure (GFCE)	76,774	97,934	1,19,973	94,030	1,41,012	1,12,291	13.1	9.9	13.3	10.4
	2,21,168	2,39,238	2,67,455	2,84,712	3,31,795	3,48,772	29.3	29.9	31.3	32.3

Industry	**Gross Domestic Product in H1 of**			**Over previous year H1**	
	2005-06	2006-07	2007-08	2006-07	2007-08
1. agriculture, forestry and fishing	2,14,876	2,20,977	2,29,156	2.8	3.7
2. mining and quarrying	25,195	26,152	27,559	3.8	5.4
3. manufacturing	1,87,645	2,11,144	2,32,669	12.5	10.2

4. electricity, gas and water supply	28,399	30,364	32,731	6.9	7.8
5. construction	83,661	92,707	1,02,828	10.8	10.9
6. trade, hotels, transport and communication	3,10,082	3,51,290	3,92,352	13.3	11.7
7. financing, ins., real est. and Business services	1,71,264	1,90,015	2,10,553	10.9	10.8
8. community, social and personal services	1,74,162	1,91,136	2,05,861	9.7	7.7
GDP at factor cost	**11,95,284**	**13,13,786**	**14,33,709**	**9.9**	**9.1**

STATEMENT 6: ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN H1 (APRIL-SEPTEMBER) OF 2007-08

(at 1999-2000 prices)

Item	APRIL-SEPTEMBER (H1)				
	(Rs. in crore) **Expenditures of Gross Domestic Product in H1**			**Rates of GDP at market prices (%) in H1**	
	2005-06	2006-07	2007-08	2006-07	2007-08
1. 1. Private Final Consumption Expenditure (PFCE)	7,86,852	8,37,340	8,84,395	58.8	57.0
1. 2. Government Final Consumption Expenditure	1,34,410	1,55,612	1,72,953	10.9	11.1
1. 3. Gross Fixed Capital Formation (GFCF)	3,51,381	4,02,257	4,64,786	28.3	30.0
1. 4. Change in Stocks	37,543	41,436	44,954	2.9	2.9
1. 5. Valuables	16,108	22,956	26,405	1.6	1.7
1. 6. Exports	2,26,815	2,59,506	2,72,367	18.2	17.6
1. 7. *Less* Imports	2,15,103	2,47,500	2,67,093	17.4	17.2
GDP at market prices	**13,00,847**	**14,23,373**	**15,51,411**		

STATEMENT 7: ESTIMATES OF GDP IN H1 (APRIL-SEPTEMBER) OF 2007-08

(at current prices)

Industry	APRIL-SEPTEMBER (H1)				
	(Rs. in crore) **Gross Domestic Product in H1 of**			**Percentage change over previous year H1**	
	2005-06	2006-07	2007-08	2006-07	2007-08
1. agriculture, forestry and fishing	2,45,889	2,69,154	2,99,393	9.5	11.2
2. mining and quarrying	40,747	47,092	50,854	15.6	8.0
3. manufacturing	2,46,873	2,86,450	3,31,786	16.0	15.8
4. electricity, gas and water supply	32,651	35,532	38,941	8.8	9.6
5. construction	1,03,783	1,20,549	1,40,011	16.2	16.1
6. trade, hotels, transport and communication	3,76,081	4,40,844	5,07,714	17.2	15.2
7. financing, ins., real est. and Business services	2,21,382	2,56,769	2,97,126	16.0	15.7
8. community, social and personal services	2,16,964	2,51,168	2,84,843	15.8	13.4
GDP at factor cost	**14,84,369**	**17,07,558**	**19,50,668**	**15.0**	**14.2**

STATEMENT 8: ESTIMATES OF EXPENDITURES OF GDP AT MARKET PRICES IN H1 (APRIL-SEPTEMBER) OF 2007-08

at current prices)

Item	APRIL-SEPTEMBER (H1)	
	(Rs. in crore) **Expenditures of Gross Domestic Product in H1**	**Rates of GDP at market prices (%) in H1**

	2005-06	2006-07	2007-08	2006-07	2007-08
1. 1. Private Final Consumption Expenditure (PFCE)	9,54,389	10,75,653	12,10,236	57.6	56.5
1. 2. Government Final Consumption Expenditure	1,74,708	2,14,003	2,53,303	11.5	11.8
1. 3. Gross Fixed Capital Formation (GFCF)	4,60,406	5,52,167	6,80,567	29.6	31.8
1. 4. Change in Stocks	49,416	56,680	64,185	3.0	3.0
1. 5. Valuables	19,612	29,210	36,381	1.6	1.7
1. 6. Exports	3,21,914	4,44,286	4,93,586	23.8	23.1
1. 7. *Less* Imports	3,83,703	5,08,639	5,66,693	27.3	26.5
GDP at market prices	**16,22,382**	**18,65,896**	**21,40,686**		

H1: April-September