

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

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**PRESS NOTE
ESTIMATES OF GROSS DOMESTIC PRODUCT
FOR THE FIRST QUARTER (APRIL-JUNE) OF 2011-12**

The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for the first quarter (April-June) Q1, of 2011-12, both at constant (2004-05) and current prices, alongwith the corresponding quarterly estimates of expenditure components of the GDP.

2. The estimates of Quarterly GDP have been compiled using the new series of Index of Industrial Production (IIP). The new series of IIP with base 2004-05 was released by CSO on 10th June, 2011. The new series of IIP is based on a representative item basket comprising of 682 individual items and a weighting diagram which better reflects the present structure and composition of the industry due to changes in the technology, economic reforms and production behaviour over time. A comparative table showing growth rates of IIP in the new series and the old series for Q1 of 2009-10 to 2011-12 is given below.

Growth Rates of IIP in New and Old series for Q1

(In percentage)

	Mining		Manufacturing		Electricity		Capital Goods		Consumer Goods	
	Old series	New series	Old series	New series	Old series	New series	Old series	New series	Old series	New series
2009-10	6.8	6.2	3.6	-3.7	5.8	6.1	3.5	-16.5	-0.3	-1.6
2010-11	10.2	8.0	12.6	10.3	5.6	5.4	31.9	17.2	9.2	11.5
2011-12		1.0		7.5		8.2		16.8		4.2

Accordingly, Q1 estimates of GDP for 2009-10 and 2010-11, which were released on 31st May 2011, have been revised on account of using the new series of IIP. The use of new series of IIP (base 2004-05) has resulted in revisions in mining, manufacturing, electricity and trade, hotels and restaurant sectors in GDP. Estimates of Private Final Consumption Expenditure (PFCE), Gross Fixed Capital Formation (GFCF) and valuables, components of expenditure side of GDP have also been revised, accordingly.

3. The details of estimates of GDP for Q1, 2011-12 are presented below.

I ESTIMATES OF GDP BY ECONOMIC ACTIVITY

(a) At constant (2004-2005) prices

4. Quarterly GDP at factor cost at constant (2004-2005) prices for Q1 of 2011-12 is estimated at ₹ 12,26,339 crore, as against ₹ 11,38,286 crore in Q1 of 2010-11, showing a growth rate of 7.7 per cent over the corresponding quarter of previous year.

5. The economic activities which registered significant growth in Q1 of 2011-12 over Q1 of 2010-11 are 'electricity, gas & water supply' at 7.9 per cent, 'trade, hotels, transport and communication' at 12.8 per cent, 'financing, insurance, real estate and business services' at 9.1 per cent. The estimated growth rates in other economic activities are: 7.2 per cent in 'manufacturing', 5.6 percent in 'community, social and personal services', 3.9 percent in 'agriculture, forestry & fishing', 1.8 percent in 'mining & quarrying' and 1.2 percent in 'construction' during this period.

6. 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 2011-12, the production of crops - rice, wheat, coarse cereals and pulses during the Rabi season of agriculture year 2010-11 (which ended in June 2011) recorded growth rates of 11.3 per cent, 6.3 per cent, 0.7 per cent and 4.9 per cent, respectively over the production in the corresponding season of previous agriculture year. Among the commercial crops, the production of oilseeds increased by 12.0 per cent during the Rabi season of 2010-11.

7. According to the latest estimates available on the Index of Industrial Production (IIP) for the new series, the index of mining, manufacturing and electricity, registered growth rates of 1.0 per cent, 7.5 per cent and 8.2 per cent, respectively during Q1 of 2011-12, as compared to the growth rates of 8.0 per cent, 10.3 per cent and 5.4 per cent in these sectors during Q1 of 2010-11. The estimates of Q1 for 2009-10 and 2010-11 have been revised on account of using new series of IIP.

8. The key indicators of construction sector, namely, production of cement declined by 0.9% and consumption of finished steel registered growth rate of 1.5 per cent, during Q1 of 2011-12.

9. Among the services sectors, the key indicators of railways, namely, the net tonne kilometres and passenger kilometres have shown growth rates of 6.3 per cent and 6.1 per cent, respectively during Q1 of 2011-12. In the transport and communication sectors, the sales of commercial vehicles, cargo handled at major ports, cargo handled by the civil aviation, passengers handled by the civil aviation registered growth rates of 14.1 per cent, 5.2 per cent, 4.9 per cent and 14.6 per cent respectively during Q1 of 2011-12 over Q1 of 2010-11. The total stock of telephone connections (including WLL and cellular) registered growth of 34 per cent as against 41 percent in the first quarter of the previous year. The other key indicators, namely, aggregate bank deposits, and bank credits have shown growth rates of 18.7 per cent, and 21.0 per cent, respectively during Q1 of 2011-12 over Q1 of 2010-11.

(b) At current prices

10. GDP at factor cost at current prices in Q1 of 2011-12, is estimated at ₹ 19,37,123 crore, as against ₹ 16,59,708 crore in Q1, 2010-11, showing an increase of 16.7 per cent.

11. The wholesale price index (WPI), in respect of the groups, food articles, minerals, manufactured products, electricity and all commodities, has risen by 9.1 per cent, 20.9 per

cent, 7.2 per cent, 0.3 per cent and 9.4 per cent, respectively during Q1 of 2011-12, over Q1 of 2010-11. The consumer price index for industrial workers (CPI-IW) has shown a rise of 8.9 per cent during Q1 of 2011-12 over Q1 of 2010-11.

II ESTIMATES OF EXPENDITURES ON GDP

12. 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

13. Private Final Consumption Expenditure (PFCE) at current prices is estimated at ₹ 11,97,461 crore in Q1 of 2011-12 as against ₹ 10,29,527 crore in Q1 of 2010-11. At constant (2004-05) prices, the PFCE is estimated at ₹ 7,95,683 crore in Q1 of 2011-12 as against ₹ 7,48,395 crore in Q1 of 2010-11. In terms of GDP at market prices, the rates of PFCE at current and constant (2004-2005) prices during Q1 of 2011-12 are estimated at 58.1 per cent and 60.5 per cent, respectively, as against the corresponding rates of 58.7 per cent and 61.7 per cent, respectively in Q1 of 2010-11.

Government Final Consumption Expenditure

14. Government Final Consumption Expenditure (GFCE) at current prices is estimated at ₹ 2,17,483 crore in Q1 of 2011-12 as against ₹ 1,95,413 crore in Q1 of 2010-11. At constant (2004-2005) prices, the GFCE is estimated at ₹ 1,36,935 crore in Q1 of 2011-12 as against ₹ 1,34,161 crore in Q1 of 2010-11. In terms of GDP at market prices, the rates of GFCE at current and constant (2004-2005) prices during Q1 of 2011-12 are estimated at 10.5 per cent and 10.4 per cent, respectively, as against the corresponding rate of 11.1 per cent each in Q1 of 2010-11.

Gross Fixed Capital Formation

15. Gross Fixed Capital Formation (GFCF) at current prices is estimated at ₹ 5,85,261 crore in Q1 of 2011-12 as against ₹ 5,12,457 crore in Q1 of 2010-11. At constant (2004-2005) prices, the GFCF is estimated at ₹ 4,10,533 crore in Q1 of 2011-12 as against ₹ 3,80,544 crore in Q1 of 2010-11. In terms of GDP at market prices, the rates of GFCF at current and constant (2004-2005) prices during Q1 of 2011-12 are estimated at 28.4 per cent and 31.2 per cent, respectively, as against the corresponding rates of 29.2 per cent and 31.4 per cent, respectively in Q1 of 2010-11.

16. Estimates of GDP at factor cost by kind of economic activity and the Expenditures on GDP for Q1 of 2009-10, 2010-11 and 2011-12 at constant (2004-2005) and current prices, are given in Statements 1 to 4.

17. The next release of quarterly GDP estimate for the quarter July-September, 2011 (Q2 of 2011-12) will be on **30.11.2011**.

**STATEMENT 1: QUARTERLY ESTIMATE OF GDP AT FACTOR COST
IN Q1 (APRIL-JUNE) OF 2011-12**
(at 2004-2005 prices)

Industry	APRIL-JUNE (Q1)				
	(₹ crore) Gross Domestic Product for Q1 of			Percentage change Over previous year Q1	
	2009-10	2010-11	2011-12	2010-11	2011-12
1. agriculture, forestry & fishing	157,064	160,771	167,091	2.4	3.9
2. mining & quarrying	24,547	26,354	26,832	7.4	1.8
3. manufacturing	165,950	183,488	196,699	10.6	7.2
4. electricity, gas & water supply	21,998	23,204	25,042	5.5	7.9
5. construction	86,858	93,514	94,639	7.7	1.2
6. trade, hotels, transport & communication	267,362	299,600	337,872	12.1	12.8
7. financing, insurance, real estate & business services	187,575	205,870	224,574	9.8	9.1
8. community, social & personal services	134,508	145,485	153,589	8.2	5.6
GDP at factor cost	1,045,861	1,138,286	1,226,339	8.8	7.7

**STATEMENT 2: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP AT
MARKET PRICES IN Q1 (APRIL-JUNE) OF 2011-12**
(at 2004-2005 prices)

Industry	APRIL-JUNE (Q1)				
	(₹ crore) Expenditures of Gross Domestic Product for Q1 of			RATES OF GDP AT MARKET PRICES (%)	
	2009-10	2010-11	2011-12	2010-11	2011-12
1. Private Final Consumption Expenditure (PFCE)	683,395	748,395	795,683	61.7	60.5
2. Government Final Consumption Expenditure	125,699	134,161	136,935	11.1	10.4
3. Gross Fixed Capital Formation (GFCF)	342,555	380,544	410,533	31.4	31.2
4. Change in Stocks	40,069	43,788	45,852	3.6	3.5
5. Valuables	22,080	29,240	40,723	2.4	3.1
6. Exports	234,642	257,587	320,247	21.2	24.3
7. <u>Less</u> Imports	304,740	351,037	433,824	28.9	33.0
8. Discrepancies	-32,040	-30,058	-755	-2.5	-0.1
GDP at market prices	1,111,659	1,212,620	1,315,395	100.0	100.0

**STATEMENT 3: QUARTERLY ESTIMATE OF GDP AT FACTOR COST
IN Q1 (APRIL-JUNE) OF 2011-12**
(at current prices)

Industry	APRIL-JUNE (Q1)				
	(₹ crore) Gross Domestic Product for Q1 of			Percentage change Over previous year Q1	
	2009-10	2010-11	2011-12	2010-11	2011-12
1. agriculture, forestry & fishing	237,751	300,298	350,405	26.3	16.7
2. mining & quarrying	35,880	45,519	52,074	26.9	14.4
3. manufacturing	205,874	243,533	277,193	18.3	13.8
4. electricity, gas & water supply	22,480	25,342	27,423	12.7	8.2
5. construction	117,722	140,084	155,080	19.0	10.7
6. trade, hotels, transport & communication	321,706	387,399	466,959	20.4	20.5
7. financing, insurance, real estate & business services	242,192	293,512	349,665	21.2	19.1
8. community, social & personal services	185,058	224,023	258,325	21.1	15.3
GDP at factor cost	1,368,663	1,659,708	1,937,123	21.3	16.7

**STATEMENT 4: QUARTERLY ESTIMATE OF EXPENDITURES OF GDP AT
MARKET PRICES IN Q1 (APRIL-JUNE) OF 2011-12**
(at current prices)

Industry	APRIL-JUNE (Q1)				
	(₹ in crore) Expenditures of Gross Domestic Product for Q1 of			RATES OF GDP AT MARKET PRICES (%)	
	2009-10	2010-11	2011-12	2010-11	2011-12
1. Private Final Consumption Expenditure (PFCE)	849,660	1,029,527	1,197,461	58.7	58.1
2. Government Final Consumption Expenditure	161,894	195,413	217,483	11.1	10.5
3. Gross Fixed Capital Formation (GFCF)	432,495	512,457	585,261	29.2	28.4
4. Change in Stocks	48,959	61,026	70,086	3.5	3.4
5. Valuables	27,857	40,779	79,965	2.3	3.9
6. Exports	296,191	365,290	493,936	20.8	24.0
7. <u>Less</u> Imports	356,540	453,521	602,835	25.8	29.2
8. Discrepancies	-23,026	4,372	20,583	0.2	1.0
GDP at market prices	1,437,489	1,755,341	2,061,940	100.0	100.0