

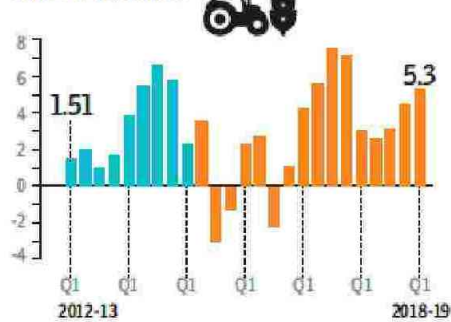
GDP growth accelerates to over 2-yr high of 8.2% in Q1

MANUFACTURING AND AGRICULTURE KEY DRIVERS OF GDP GROWTH

How different sectors of the economy grew

● NDA ● UPA Data in %

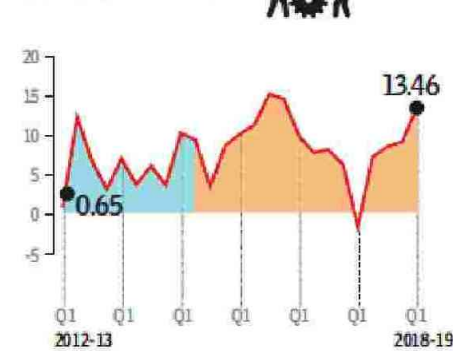
AGRICULTURE, FORESTRY AND FISHING



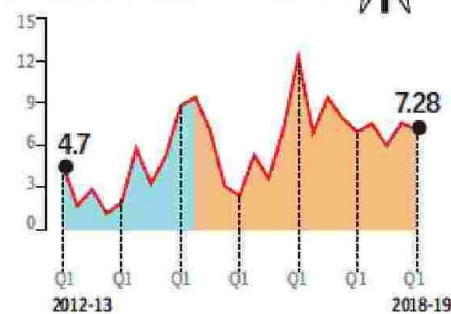
MINING & QUARRYING



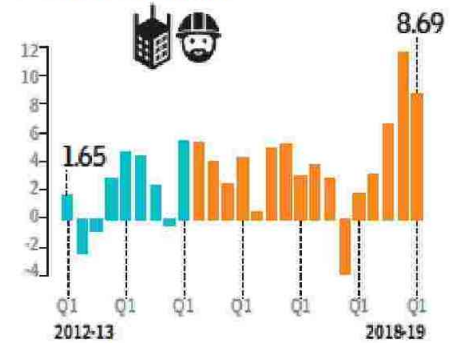
MANUFACTURING



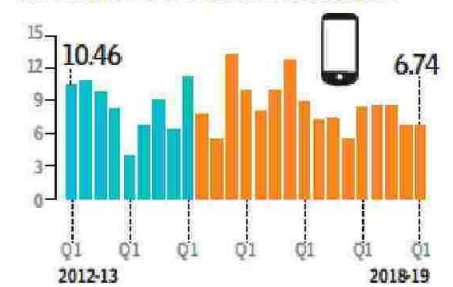
ELECTRICITY, GAS, WATER SUPPLY & OTHER UTILITY



CONSTRUCTION



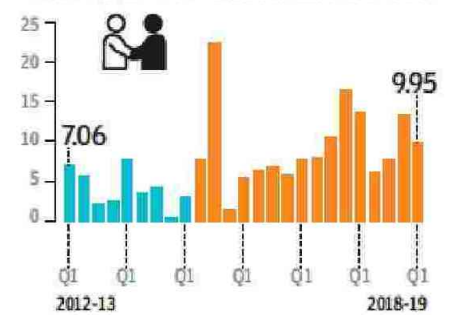
TRADE, HOTELS, TRANSPORT, COMMUNICATION AND SERVICES RELATED TO BROADCASTING



FINANCIAL, REAL ESTATE AND PROFESSIONAL SERVICES



PUBLIC ADMINISTRATION, DEFENCE AND OTHER SERVICES



India's GDP for the first quarter this year growing at 8.2% in otherwise an environment of global turmoil represents the potential of New India

—Arun Jaitley | Finance Minister

It has been a remarkable speed of economic recovery in the last 4 quarters — 6.3%, 7%, 7.7% and now 8.2%

—Hasmukh Adhia | Finance Secretary

Source: Mospi.nic.in

TIMES NEWS NETWORK

New Delhi: The country's economic growth soared to an over two-year high in April-June quarter, powered by solid expansion in manufacturing, the farm sector and gathering strength in consumer spending, bolstering the government's reforms record.

Data released by the Central Statistics Office (CSO) on Friday showed the economy grew 8.2% in April-June, the first quarter of the country's fiscal year which starts in April, higher than previous quarter's 7.7% and 5.6% in the first quarter of 2017-18.

This was the fastest expansion since the January-March quarter of 2016.

The manufacturing sector rose an annual 13.5% compa-

red to a decline of 1.8% in the year ago quarter, while the crucial farm sector rose 5.3%, up from 3% growth in first quarter of 2017-18.

The data brought cheers to policymakers, who said it highlighted the measures taken to boost growth and pointed to a solid recovery underway.

"India's GDP for the first quarter this year growing at 8.2% in otherwise an environment of global turmoil represents the potential of New India. Reforms and fiscal prudence are serving us well. India is witnessing an expansion of the neo middle class," finance minister Arun Jaitley said on Twitter.

Bibek Debroy, chairman of the Economic Advisory Council to Prime Minister (EACPM) attributed this positive trend to

continued impetus on structural reforms and effective implementation of ongoing policy initiatives. The robust GDP number has also helped India gallop ahead of China and retain the tag of the fastest growing major economy in the world.

The finance ministry said despite some headwinds like higher crude oil prices, uncer-

▶ Govt was confident of 8% growth, 8.2% a bonus,

tainties on trade front due to protectionist tendencies in some countries, the Indian economy has performed well.

Economists said a positive feature of the growth dynamics has been the buoyancy in employment-supporting sectors such as construction and manufacturing. "An encoura-

ging development is the slow but steady rise in private consumption spending growth. From 6.7% in Q4FY18, it rose to 8.6% in Q1FY19—the highest in six quarters. For private investments to pick up, a strong and sustained revival in household spending is critical," said D K Joshi, chief economist at ratings agency Crisil. "Sustaining GDP growth at over 8% over the next few years would require significant traction in private investments and relentless implementation of reforms to raise productivity."

Separate data showed the fiscal deficit, the difference between expenditure and revenue receipts, at the end of July rose to Rs 5.4 lakh crore or 86.5% of the 2018-19 budget target, while the core sector growth slowed to 6.6% in July from previous month's 7.6% expansion.