

India's GDP grew 7.6 pc in July-Sept quarter

Govt policies have taken economy to new heights, says PM Modi

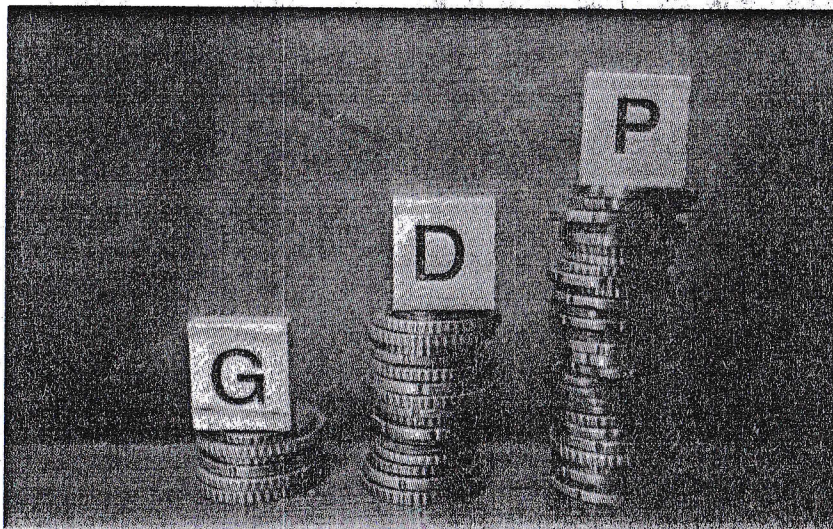
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NEW DELHI, 30 NOVEMBER

Prime Minister Narendra Modi on Thursday said policies and decisions of the government have taken the country's economy to new heights and noted institutions of the world are extremely optimistic about India's growth rate.

He was addressing a Rozgar Mela, via video conferencing, after distributing about 51,000 appointment letters to newly inducted recruits to Central and State Governments.

Mr Modi said a global leader in investment ratings recently put its seal of approval on India's rapid growth owing to increasing employment opportunities, a large pool of working-age population and an increase in labour productivity.

The country's manufacturing and construction sector had become strong, contributing to the positive situation. These facts are proof that numerous possibilities of employment and self-employment will continue to arise in India in the coming times, he said.



India registered a Gross Domestic Product (GDP) growth of 7.6% for the July-September quarter, data released by the government said. It is much higher than the projection of the Reserve Bank of India's Monetary Policy Committee (MPC) last month.

For the same period in the last year GDP was 5.4%. In the first quarter of 2023-24 (FY24),

India's GDP grew by 7.8%.

Data said the jump in GDP figures in the second quarter was led by manufacturing and construction industries.

Speaking on the GDP growth number, Prime Minister Narendra Modi said, "The GDP growth numbers for Q2 display the resilience and strength of the Indian economy in the midst of such testing times globally.

We are committed to ensuring fast paced growth to create more opportunities, rapid eradication of poverty and improving 'Ease Of Living' for our people."

The highest growth was registered in the manufacturing industry at 13.9% in Q2 as compared to a fall of 3.8% in the same quarter last year. It was 4.7% in the first quarter of

FY24.

Construction sector witnessed second-highest growth at 13.3%, it was 5.7% in Q2FY23 while in Q1FY24, it was 7.9%.

The electricity, gas, water supply and other utility services industry registered the third-highest growth of 10.1% compared to 6% in Q2FY23, the data said.

The agriculture industry grew at a slower pace of 1.2% as compared to 2.5% a year ago. It had grown by 3.5% in the first quarter of this year.

"Seeing an upside to 6.5% for FY24. We are more comfortable with this number than before and keeping the forecast unchanged except for seeing an upside to the number," Chief Economic Advisor Anantha Nageswaran said.

"Both union and states have upped their capex. The overall quality of expenditure tilted more towards capex than revenue spend," he added.

Seeing a fairly strong credit growth. RBI's decision to increase risk weights for personal loans is to stay higher for longer, he said.

The MPC last month, had predicted the second quarter

GDP growth at 6.5%. "Looking at the momentum of economic activity, looking at a few early indicators, I can say that the second-quarter GDP number, as and when it is released, at the end of November, in all probability will surprise everyone on the upside," Governor Das had said.

India's retail inflation slows to 4-month low in Oct: India's retail inflation slowed to a four-month low of 4.87 per cent in October from 5.02 per cent in September, bringing respite to consumers.

The falling inflation level is also coming closer to the RBI's 4 per cent target that would trigger a cut in interest rates to spur growth.

Lower core inflation, which excludes food and energy prices. Food inflation, which accounts for nearly half of the overall consumer price basket, was 6.61 per cent in October, little changed from an upwardly revised 6.62 per cent in September.

Combined Index of Eight Core Industries increased by 12.1pc in October: The combined Index of Eight Core

Industries increased by 12.1% in October 2023 compared to the last year for same period.

The production of all eight core industries—Cement, Coal, Crude Oil, Electricity, Fertilizers, Natural Gas, Refinery Products and Steel—recorded positive growth in October 2023 over the corresponding month of last year, the data released by the government said. The final growth rate of the Index of Eight Core Industries for July 2023 is revised to 8.5%. The cumulative growth during April to October, 2023-24 is 8.6% as compared to the corresponding period of last year, the data said.

Growth was primarily driven by a low base effect and double-digit growth in sectors like coal, steel, cement and electricity.

Cement production was increased by 17.1%, Coal production increased by 18.4%, Crude Oil production increased by 1.3%, Electricity generation increased by 20.3%, and the Steel production was increased by 11%. Output of crude oil and natural gas increased by 1.3% and 9.9% in October this year. Refinery products production stood at 4.2% while the fertiliser production growth stood at 5.3%.