

# Indian economy is hardly dead, it is the fastest-growing: FM

**Our Bureau**  
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Responding obliquely without naming US President Donald Trump, who said India is a dead economy, Finance Minister Nirmala Sitharaman said on Monday that the nation continues to be one of the fastest-growing major economies globally.

The Lok Sabha approved the first Supplementary Demands for Grants, permitting fresh cash outgo of over ₹41,000 crore.

Replying to the debate on supplementary demand for grants in the Lok Sabha, the FM said global economic

growth is currently around 3.2 per cent, while India recorded 8.2 per cent growth in the last quarter.

"Global growth today stands at 3.2 per cent. India, on the other hand, grew by 8.2 per cent in the last quarter," she said.

Addressing concerns over India's national accounts, Sitharaman clarified that the International Monetary Fund (IMF) had accorded a 'C' grade due to the use of an old base year, not because of weak economic fundamentals.

"The IMF has given a C grade to our national accounts only because the base year is old. It is a technical issue, not a reflection of In-

dia's growth strength," she told the House.

## 'REFORMS HELP'

She also highlighted that India's economic expansion had become broad-based over the past decade, spanning multiple sectors. "Growth has become quite broad-based in the last 10 years," she said, adding that structural reforms and sustained investment had helped strengthen the economy.

Under the first Supplementary Demands for Grants (SDG), the government sought Parliament's approval for a fresh cash outgo of over ₹41,500 crore, mainly for additional fertil-



Finance Minister  
Nirmala Sitharaman

izer subsidies and payments to oil marketing companies towards under-recoveries on LPG.

The first batch of SDG involves a gross additional expenditure of over ₹1.32 lakh crore, of which over ₹90,000 crore will be met through

savings across different ministries. Notably, the fresh cash outgo is unlikely to have any impact on the overall fiscal deficit number, which has been pegged at 4.4 per cent of GDP.

## P&K FERTILIZERS

According to the SDG document, out of the fresh cash outgo, over ₹18,500 crore will be spent on fertilizers. This includes subsidies for indigenous and imported P&K fertilizers as well as imported urea. An additional ₹12,500 crore requirement will be met through savings.

Another key component of the fresh cash outgo is the compensation to public sector undertaking oil market-

ing companies for under-recoveries in domestic LPG and related programmes. For this, over ₹9,400 crore has been earmarked, while an additional ₹5,200 crore under this head will be met through savings.

Further, an allocation of over ₹2,500 crore under fresh cash outgo has been marked for Ladakh; this will be used for meeting additional expenditure towards transfer to the Union Territory of Jammu & Kashmir, on account of apportionment of liabilities between the two UTs.

Also, over ₹2,100 crore of fresh cash will be given to Manipur as a part of a development package.