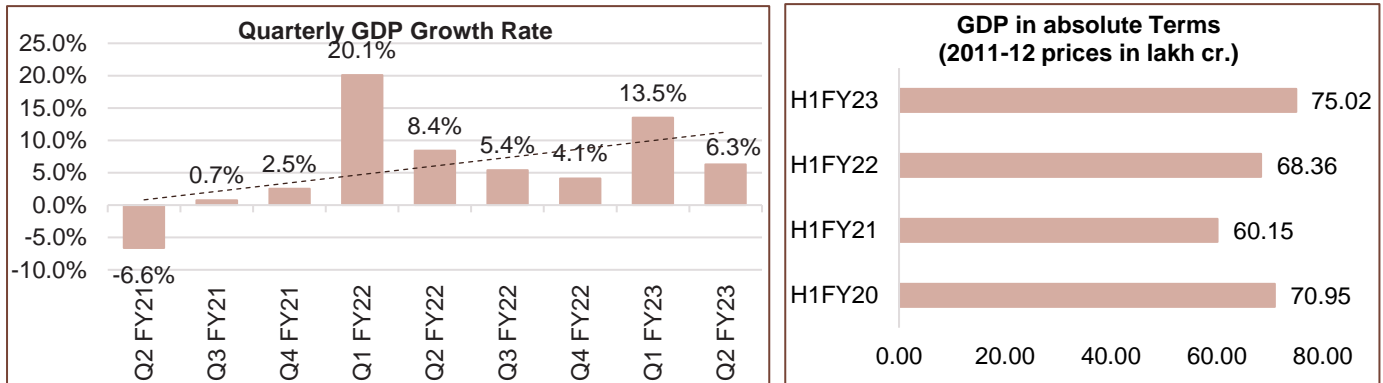


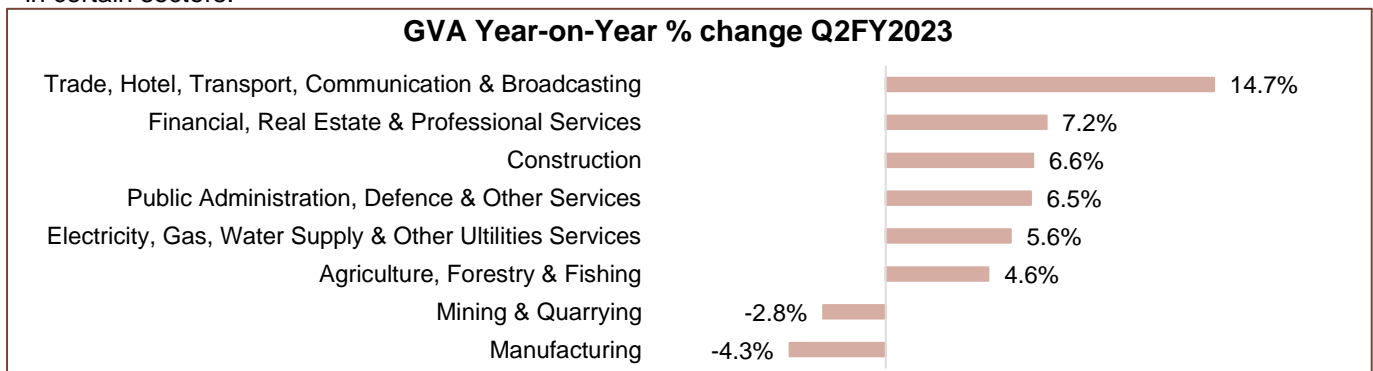
01 December 2022

## India's GDP grows at 6.3% in Q2FY23



Source: MOSPI; News Articles

- India's GDP for the July-September quarter (Q2) of the ongoing financial year 2022-23 rose 6.3%. In absolute terms for the April – September 2022 half year, GDP just inched above the pre-pandemic levels i.e. 2019-20 levels of ₹70.95 lakh crore v/s 2022-23 levels of ₹75.02 lakh crore. The GDP growth was dragged down mainly by the poor performance of manufacturing and mining sectors.
- Gross Value Added (GVA) in Q2FY23 grew at a slower pace (5.6%) as against a growth of 8.3% during the same period last year.
- The Private Final Consumption Expenditure (PFCE), which is a significant component of overall GDP numbers, rose by 9.74% in Q2FY23 over Q1FY22 number, and came in at ₹22.30 lakh crore. Government final consumption expenditure (GFCE) reported a de-growth of 4.36%, on account of high base effect after the Centre had announced a slew of schemes hoping to raise demand in the economy in the same quarter last year. At ₹3.36 lakh crore, GFCE constituted 8.80% of the GDP.
- Investments, as reflected by Gross Fixed Capital Formation (GFCF), rose by 10.38% in quarter y-o-y, compared to 14.61% expansion in the same quarter previous year. Its share in GDP recovered to 34.6% in the July – September 2022 quarter.
- The Trade, Hotel, Transport, Communication & Services Related to Broadcasting witnessed expansion in the second quarter of FY23 by 14.7%. When compared to the pre-pandemic level the Services GVA was marginally higher in the second quarter of the current fiscal at ₹ 6.49 lakh crore as against ₹ 6.36 lakh crore in Q2FY20. GVA from Agriculture, Forestry and Fishing, the only sector that continued to grow through the pandemic, rose 4.6% in Q2FY23. On the other side the Manufacturing and Mining and Quarrying contracted by 4.3% and 2.8% respectively as against a growth of 5.6% and 14.5% growth during the same quarter previous fiscal. The unexpected contraction in manufacturing, seems to reflect the impact of high input prices on margins in certain sectors.



Source: MOSPI; News Articles

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