



Ministry of Finance

8.2 percent Growth of GDP in real terms in Q1 of 2018-19 in line with momentum built in the economy & broad -based

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The Central Statistics Office today released the estimates of GDP for the first quarter (Q1) of 2018-19. In line with momentum built in the economy, the growth of GDP in real terms in Q1 of 2018-19 is 8.2 per cent, reinforcing the high growth of 7.7 per cent recorded in last quarter of 2017-18. This growth is broad-based and has been driven by 8.4 per cent growth in consumption expenditure and 10.0 per cent growth in fixed investment. The latter development is particularly encouraging as it has come about over an impressive growth of 14.4 per cent in Q4 of 2017-18 and augurs well for future growth.

A look at the GVA in different sector points towards the fact that the growth of agriculture sector in Q1 of 2018-19 was robust at 5.3 per cent on top of 4.5 per cent growth in Q4 of the previous financial year. The growth of manufacturing sector GVA picked up significantly to 13.5 per cent in Q1 of 2018-19, as against negative growth of 1.8 per cent in Q1 of 2017-18. The construction sector GVA growth was 8.7 per cent in Q1 of 2018-19, as compared to 1.8 per cent in Q1 of 2017-18. The services sector continued to do well, building up on growth achieved last year.

All in all, despite some head-winds like higher crude oil prices, uncertainties on trade front due to protectionist tendencies in some countries, the Indian economy has performed well. We can expect the growth for the year as a whole to be very robust and India to be the fastest growing economy in the world.

In his tweet, Shri Subhash Chandra Garg , Secretary Department of Economic Affairs said “ Excellent growth performance in I qtr. 8.2% overall growth, 13.5% growth in manufacturing and over 10% in capital formation. V shaped recovery of growth in Indian economy is complete now. We should grow at robust and steady state in 18-19 remaining fastest economy in World.”

Dr Hasmukh Adhia , Finance Secretary in his tweet said “. The GDP growth rate of 8.2% for the Q1 (April-June) of fiscal year 2018-19 indicates clearly that several structural reforms introduced such as GST have started giving rich dividends. The growth in manufacturing sector (13.5%) also indicates broad based recovery of demand. It has been a remarkable speed of economic recovery in the last 4 quarters- 6.3%, 7%, 7.7% and now 8.2%”.

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