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India's GDP Grows at 8.4% in Q3 FY24

Robust Q3 GDP Growth at 8.4% encouraging, the effects of meaningful reforms are visible

India's economy has become more robust and resilient and growth is strengthening quarter after quarter; the Q3 growth at 8.4% indicates a strong growth trajectory to continue in the coming quarters too. Manufacturing, construction, and electricity sectors have become the major growth drivers in recent quarters. The overall real GDP growth projected at 7.6% in 2023-24 is highest among the leading economies. The manufacturing sector has grown at 11.6% in Q3 2023-24 on the back of strategic reforms and prudent policy measures by the government and efforts of industry. The consistent growth in the construction sector at 9.5% is indicating the creation of new employment as the construction sector absorbs skilled, semi-skilled, and unskilled chunks of the workforce. High growth in the electricity, gas, water supply & other utility services at 9% is inspiring as this will boost the manufacturing activities in the economy. The services sector growing at a steady pace of more than 7% is inspiring, displaying that India's growth momentum will continue. The gross fixed capital formation at 32.4% of GDP for Q3 2023-24, higher than 31.8% in 2022-23 for Q3, is indicating steady capacity expansion for more employment opportunities in the coming times.

The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation released in its Press Note the estimates of Gross Domestic Product (GDP) for the October-December quarter (Q3) of 2023-24, both at Constant (2011-12) and Current Prices.

GDP Growth and its Components

India has experienced a commendable growth trajectory characterized by an expanding Gross Domestic Product (GDP). The sectors contributing significantly to this growth include Manufacturing, Construction, Electricity, Gas, Water Supply and other Utility Services, Mining and quarrying, Public Administration, Defense, and other Services. These sectors have emerged as key contributors, playing pivotal roles in shaping and bolstering India's economic advancement. This observation underscores

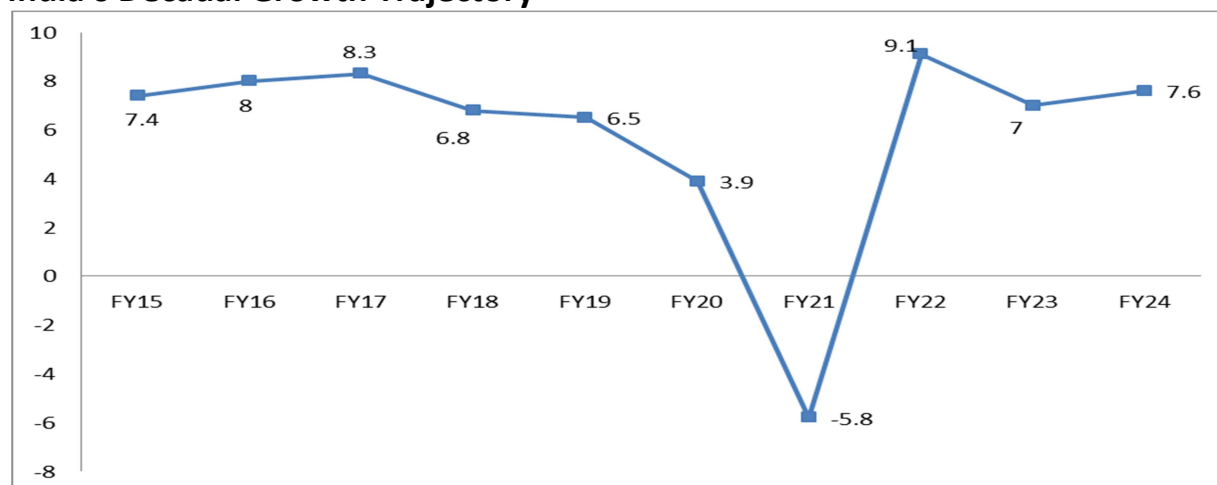
the diverse and multifaceted nature of India's economic landscape, highlighting the strategic importance of various sectors in driving the nation's overall economic growth.

Growth of GVA so far

| Components | Yearly Estimates | | | | Quarterly Estimates | | |
|--|------------------|-------------|------------|------------|---------------------|------------|------------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | | |
| | | | | | Q1 | Q2 | Q3 |
| Agriculture, forestry & fishing | 6.2 | 4.1 | 3.5 | 4.7 | 3.5 | 1.6 | -0.8 |
| Mining & quarrying | -3.0 | -8.6 | 7.1 | 1.9 | 7.1 | 11.1 | 7.5 |
| Manufacturing | -3.0 | 2.9 | 11.1 | -2.2 | 5.0 | 14.4 | 11.6 |
| Electricity, gas, water supply & other utility services | 2.3 | -4.3 | 9.9 | 9.4 | 3.2 | 10.5 | 9.0 |
| Construction | 1.6 | -5.7 | 14.8 | 9.4 | 8.5 | 13.5 | 9.5 |
| Trade, hotels, transport, communication & services related to broadcasting | 6.0 | -19.7 | 13.8 | 12.0 | 9.7 | 4.5 | 6.7 |
| Financial, real estate & professional services | 6.8 | 2.1 | 4.7 | 9.1 | 12.6 | 6.2 | 7.0 |
| Public administration, defense & other services | 6.6 | -7.6 | 9.7 | 8.9 | 8.2 | 7.7 | 7.5 |
| GVA at Basic Price | 3.9 | -4.2 | 8.8 | 6.7 | 8.2 | 7.7 | 6.5 |
| GDP at Basic Price | 3.9 | -5.8 | 9.1 | 7.0 | 8.2 | 8.1 | 8.4 |

Source: PHD Research Bureau, PHDCCI compiled from MOSPI

India's Decadal Growth Trajectory



Source: PHD Research Bureau, PHDCCI compiled from CSO and MOSPI

India's economic trajectory has exhibited encouraging trends, marked by a robust growth trajectory. In the aftermath of the global pandemic, and amidst the geopolitical headwinds, India's Gross Domestic Product has consistently surpassed the 7% mark, reflecting resilience and recovery in the country's economy. These positive indicators underscore India's ability to navigate challenges and demonstrate sustained economic progress.

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Warm regards,

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