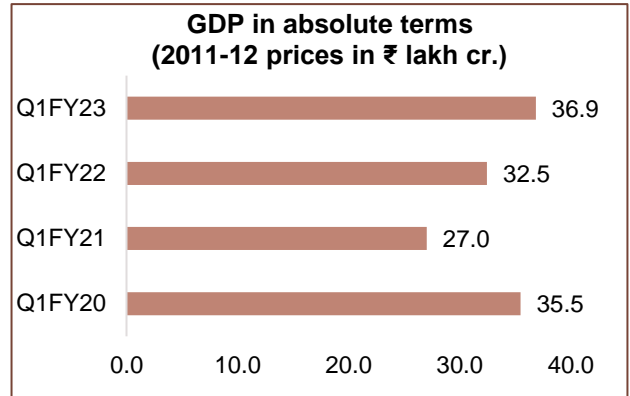
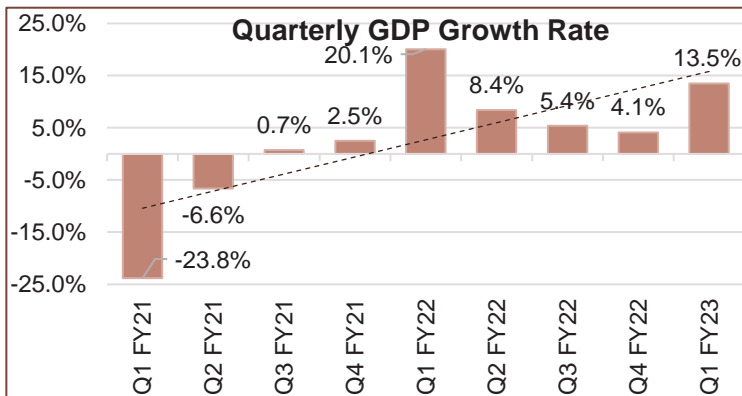


05 September 2022

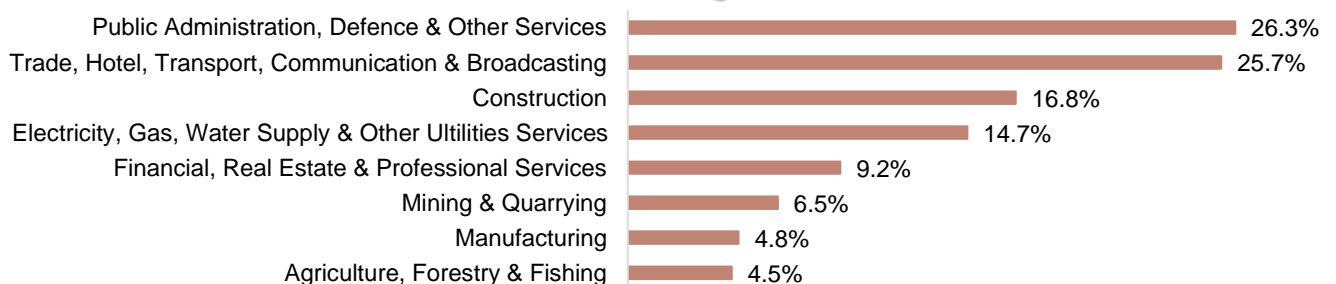
## India's GDP grows at 13.5% in Q1FY23



Source: MOSPI; News Articles

- India's GDP for the April-June quarter (Q1) of the ongoing financial year 2022-23 rose 13.5%. In absolute terms for the April – June 2022 quarter, GDP just inched above the pre-pandemic levels i.e. 2019-20 levels of ₹35.49 lakh crore v/s 2022-23 levels of ₹36.85 lakh crore. As per the Economists, a base effect of 20.1% growth in the corresponding period year ago along with the **moderation in the impact of the Russia-Ukraine war** and a **pickup in service sector** activity is likely to have supported growth in Q1FY23.
- Gross Value Added (GVA) in Q1FY23 grew at a slower pace (12.7%)** as against a growth of 18.1% during the same period last year.
- The **Private Final Consumption Expenditure (PFCE)**, which is a significant component of overall GDP numbers, rose by 25.93% in Q1FY23 over Q1FY22 number, and came in at ₹22.08 lakh crore. At the same time, when calculated against Q1FY20, PFCE grew by 9.89%. **Government final consumption expenditure (GFCE)** rose at a tepid pace of 1.33%, 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 ₹4.14 lakh crore, GFCE constituted 11.2% of the GDP.
- Investments, as reflected by Gross Fixed Capital Formation (GFCF)**, rose by 20.15% in quarter y-o-y, compared to 62.50% expansion in the same quarter previous year. Its share in GDP recovered to 34.7% in the April – June 2022 quarter after falling to a five-quarter low of 30.1% in the October – December 2021 quarter.
- The **Trade, Hotel, Transport, Communication & Services Related to Broadcasting** witnessed expansion in the first quarter of FY23 by 25.7%. When compared to the pre-pandemic level the Services GVA was lower in the first quarter of the current fiscal at ₹ 5.60 lakh crore as against ₹ 6.62 lakh crore in Q1FY20. **Manufacturing** expanded by 4.8% from a contraction of 0.2% in the previous preceding quarter reflecting the impact of cooling down of commodity prices. GVA from **Agriculture, Forestry and Fishing**, the only sector that continued to grow through the pandemic, rose 4.5% in Q1FY23.

### GVA Year-on-Year % change Q1FY2023



Source: MOSPI; News Articles

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