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India's GDP Grows at 8.2% in FY 2023-24

Robust FY 2023-24 GDP Growth at 8.2% is encouraging, the effects of meaningful reforms are visible

India's growth at 8.2% in FY 2023-24 is a reflection of the efforts for Viksit Bharat by 2047; the growth momentum is expected to continue and strengthen in the coming times. Despite deepening geopolitical distress and global macroeconomic headwinds, India remains resilient. India has become a growth leader among the major advanced, emerging, and developing countries. India's economy is becoming more and more robust as growth is strengthening quarter after quarter; the Q4 growth at 7.8% 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 at 8.2% in 2023-24 is highest among the leading advanced, emerging economies. The manufacturing sector has grown at 8.9% in Q4 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 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 7.7% in Q4 is inspiring as this will boost the manufacturing activities in the economy. The tertiary sector growing at a steady pace of more than 6% is inspiring, displaying that India's growth momentum will continue. The gross fixed capital formation at 33.2% of GDP for Q4 2023-24 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 FY 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

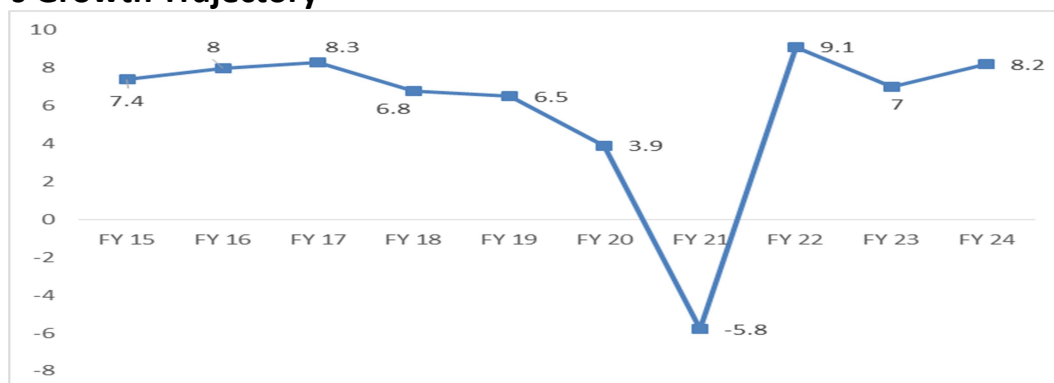
growth include Manufacturing, Construction, Electricity, Gas, Water Supply and other Utility Services, Mining and quarrying, Public Administration, Defense, and other Services. These sectors have emerged as key contributors, playing pivotal roles in shaping and bolstering India's economic advancement. 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				
	2019-20	2020-21	2021-22	2022-23	2023-24
Agriculture, forestry & fishing	6.2	4.1	3.5	4.7	1.4
Mining & quarrying	-3.0	-8.6	7.1	1.9	7.1
Manufacturing	-3.0	2.9	11.1	-2.2	9.9
Electricity, gas, water supply & other utility services	2.3	-4.3	9.9	9.4	7.5
Construction	1.6	-5.7	14.8	9.4	9.9
Trade, hotels, transport, communication & services related to broadcasting	6.0	-19.7	13.8	12.0	6.4
Financial, real estate & professional services	6.8	2.1	4.7	9.1	8.4
Public administration, defense & other services	6.6	-7.6	9.7	8.9	7.8
GVA at Basic Price	3.9	-4.2	8.8	6.7	7.2
GDP at Basic Price	3.9	-5.8	9.1	7.0	8.2

Source: PHD Research Bureau, PHDCCI compiled from MOSPI

India's 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, amidst the geopolitical distress and macroeconomic 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.

Please contact, for any query related to this mail, Dr. Mansi Vinaik, Deputy Secretary, at mansi.vinaik@phdcci.in and Ms. Mansi Nautiyal, Research Associate at mansi.nautiyal@phdcci.in with a cc to Dr S P Sharma, Chief Economist| DSG at spsharma@phdcci.in , PHD Chamber of Commerce & Industry.

Warm regards,

Dr S P Sharma

Chief Economist | DSG

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016, India

Tel: +91 49545454

Fax: +91 11 26855450

Email: spsharma@phdcci.in

Website: www.phdcci.in

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PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2685 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

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