

India's GDP growth expands 8.4% in July-September quarter

FPJ Web Desk



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India's gross domestic product (GDP) in the second quarter of the fiscal year 2021-22 grew at 8.4 percent, official data released on November 30 showed.

The GDP growth in April-June quarter this fiscal stood at 20.1 per cent. The Indian economy had contracted by 24.4 per cent in April-June last year.

The gross domestic product (GDP) had contracted by 7.4 per cent in the corresponding July-September quarter of 2020-21, according to data released by the National Statistical Office (NSO).

GDP at Constant (2011-12) Prices in April-September 2021-22 (H1 2021-22) is estimated at Rs 68.11 lakh crore as against Rs 59.92 lakh crore during the corresponding period of previous year, showing a growth of 13.7 per cent in H1 2021-22 as against a contraction of 15.9 per cent during the same period last year, it stated.

The government had imposed a nationwide lockdown at the onset of the COVID-19 pandemic last year.

China has recorded a growth of 4.9 per cent in the July-September period of 2021.

Dr. Vijay Kalantri, Chairman, MVIRDC World Trade Center, Mumbai

We welcome the 8.4 percent GDP growth in the second quarter of the current financial year, which is largely backed by growth in private consumption, investment and exports. The growth could have been even higher had we seen faster recovery in hospitality, travel and entertainment services, which are still below the pre-pandemic level.

India's growth is also powered by an increase in private investment, especially the strong risk capital flowing into our start-up ecosystem. In future, if we need to sustain this growth trajectory, we need to stimulate bank credit growth to the private sector.

It is worrisome that growth in non food bank credit has declined sharply from 18 percent in 2013 to 7 percent so far in the current financial year. The fast growing Indian economy needs capital from banks, NBFCs and FDI. To garner more resources to fuel infrastructure creation, India needs to expedite the setting up of infrastructure finance institutions, which was announced in the current year's Union Budget.