

India's GDP grows 4.1% in Jan-Mar quarter; FY'22 growth seen at 8.7%

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The gross domestic product (GDP) had expanded by 2.5 per cent in the corresponding January-March period of 2020-21, according to data released by the National Statistical Office (NSO) /Representative image 1

India's economy grew by 4.1 per cent in the fourth quarter of 2021-22, pushing up the annual growth rate to 8.7 per cent, official data showed on Tuesday.

However, growth in the January-March period was slower than the 5.4 per cent expansion in the previous October-December quarter of 2021-22.

The gross domestic product (GDP) had expanded by 2.5 per cent in the corresponding January-March period of 2020-21, according to data released by the National Statistical Office (NSO).

As per the data, the Indian economy expanded by 8.7 per cent in 2021-22 against a 6.6 per cent contraction in 2020-21.

The NSO, in its second advance estimate, had projected GDP growth during 2021-22 at 8.9 per cent. China had registered an economic growth of 4.8 per cent in the first three months of 2022.

Vijay Kalantri, Chairman, MVIWDC World Trade Center Mumbai - a trade facilitating body

India's Q4 FY22 GDP growth has considerably slowed to 4.1 per cent from 5.4 per cent in the previous quarter largely because of poor growth in consumption. Also, our manufacturing sector has contracted 0.2 per cent in Q4 FY22, which reflects the impact of rising raw material cost on trade and industry.

Even our investment is not recovering at a desired pace because of global and domestic uncertainty. India's per capita income (in real terms) is still below the pre-pandemic level of Rs. 1.08 lakh because of slowdown in the quarterly GDP growth.

We expect economic recovery to face further challenge from future repo rate hikes in the upcoming RBI policy meetings. The only way we can support economic growth is through fiscal side measures such as rationalisation of GST rates, effective implementation of PLI schemes and improving ease of doing business.