

GDP growth rebounds to 6.3% in September quarter

Recovers from 5.7% in last quarter; Infrastructure output grew 4.7% in October from a year ago, driven by higher refinery production.

Reversing five quarters of slowing GDP growth, the Indian economy expanded by 6.3% in July-September on the back of a pick-up in manufacturing.

The gross domestic product (GDP) growth had hit a three-year low of 5.7% in the first quarter of 2017-18. It was 7.5% in the September quarter of 2016-17.

According to the Central Statistics Office (CSO) data, the economic activities that registered growth of over 6% in the second quarter are manufacturing, electricity, gas, water supply, other utility services and trade, hotels, transport and communication, and services related to broadcasting.

The agriculture, forestry and fishing sector is estimated to have grown by 1.7%.

Infrastructure output grows 4.7%

Eight core sectors grew at a slower pace of 4.7% in October, chiefly due to subdued performance of cement, steel and refinery segments.

The eight infrastructure sectors – coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity – had clocked a growth of 7.1% in October 2016.

Meanwhile, the Industry Ministry has revised downwards September growth print of these eight sectors to 4.7% from the earlier estimate of 5.2%.

Official data released this evening showed that cement production contracted by 2.7% as against an expansion of 6.2% in October 2016.

Output growth in the steel segment too slowed to 8.4% in the last month compared to 17.4% in the year-ago period.

Similarly, there was slowdown in refinery output, whose growth was 7.5% in October 2017. This compares with 12.6% expansion in the same month in 2016.

Electricity generation, too, was slower on an annual basis.

Meanwhile, the coal segment has shown significant improvement as it expanded by 3.90%. It witnessed a decline of 1.9% in the year-ago period.

The fertiliser sector grew by 3% as against 0.7% last year.

Crude oil production and natural gas output have shown improvement, too.

Cumulatively, the growth in the eight core sectors slowed down to 3.5% as against 5.6% in the comparable period of the last fiscal.

The eight core industries constitute 40.27% of weight of items in the index of industrial production (IIP).