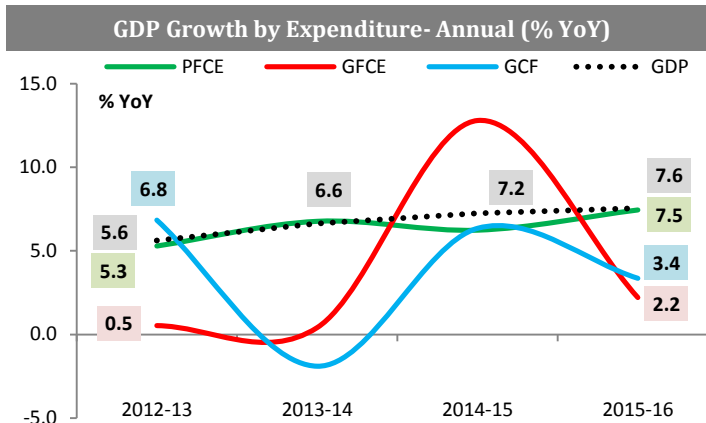


GDP grew by 7.6 percent in 2015-16

- Gross Domestic Product reported a growth of 7.6 percent in 2015-16 as against 7.2 percent growth reported in 2014-15. Gross Value Added at basic prices grew by 7.2 percent in 2015-16 vis-à-vis 7.1 percent growth in the previous fiscal.
- Agriculture (and allied activities) sector witnessed a growth of 1.3 percent in 2015-16 as compared to a decline of 0.3 percent in the previous fiscal year. Industry witnessed an improvement in growth, growing by 7.4 percent in 2015-16 as compared to 5.9 percent growth noted in 2014-15. Growth in the services sector, however, noted moderation, growing by 8.9 percent in 2015-16 as compared to 10.3 percent in 2014-15.
- On the expenditure side, gross capital formation grew by 3.4 percent in 2015-16 vis-à-vis 6.4 percent growth noted in 2014-15. Government final consumption expenditure noticed sharp moderation, growing by 2.2 percent vis-à-vis 12.8 percent growth in 2014-15. Growth of private final consumption expenditure, on the other hand, increased with the segment growing at 7.5 percent in 2015-16 vis-à-vis a growth of 6.2 percent noted in 2014-15.

GDP Growth- Annual (% YoY)					
	GDP	GVA at basic prices	Agriculture, forestry and fishing	Industry	Services
2012-13	5.6	5.4	1.5	3.6	8.1
2013-14	6.6	6.3	4.2	5.0	7.8
2014-15	7.2	7.1	-0.3	5.9	10.3
2015-16	7.6	7.2	1.3	7.4	8.9



Given the current global scenario, robust growth numbers are a result of comprehensive reform measures undertaken by the government. FICCI's latest Economic Outlook Survey puts across GDP growth at 7.7 percent for the fiscal year 2016-17. The outlook is based on the expectation of a normal monsoon in addition to greater focus on the rural sector in the current fiscal.

GDP grew by 7.9 percent in Q4 2015-16

GDP Growth- Quarterly (% YoY)					
	GDP	GVA at basic prices	Agriculture, forestry and fishing	Industry	Services
Jun-15	7.5	7.2	2.6	6.7	8.8
Sep-15	7.6	7.3	2.0	6.3	9.0
Dec-15	7.2	6.9	-1.0	8.6	9.1
Mar-16	7.9	7.4	2.3	7.9	8.8

GDP Growth by Expenditure- Quarterly (% YoY)			
	PFCE	GFCE	GCF
Jun-15	6.9	-0.2	6.6
Sep-15	6.3	3.3	9.6
Dec-15	8.2	3.0	2.0
Mar-16	8.3	2.9	-2.4

- GDP growth for the fourth quarter of 2015-16 was observed at 7.9 percent vis-à-vis 6.7 percent growth noted in the corresponding period previous year. Gross value added at basic prices was reported at 7.4 percent in Q4 2015-16.
- Agriculture (and allied activities) noticed a stark improvement in growth numbers during the fourth quarter. The sector posted a growth of 2.3 percent in Q4 2015-16 as compared to 1.7 percent contraction noted in the corresponding quarter previous year. Industrial growth also noted marked improvement, reporting a growth of 7.9 percent in Q4 2015-16 as compared to 5.7 percent in Q4 2014-15. Services noticed a moderation in growth during the quarter.
- On the expenditure side, while gross capital formation contracted by 2.4 percent y-o-y during Q4 2015-16, government final consumption expenditure grew by 2.9 percent y-o-y. Private final consumption expenditure reported a growth of 8.3 percent, a few notches higher than 6.6 percent growth witnessed in Q4 2014-15.

Source: MOSPI, RBI, Economic Outlook, CMIE and FICCI Research