
INDIAN ECONOMY – HIGHLIGHTS OF PERFORMANCE

GDP: The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the 2nd Advance estimates of national income at constant (2011-12) and current prices, for the financial year 2016-17. As per their report, Real GDP or Gross Domestic Product (GDP) at constant (2011-12) prices in the year 2016-17 is likely to attain a level of Rs 121.65 lakh crore, as against the First Revised Estimate of GDP for the year 2015-16 of Rs 113.58 lakh crore. The growth in GDP during 2016-17 is estimated at 7.1 per cent as compared to the growth rate of 7.9 per cent in 2015-16. Real GVA, i.e. GVA at basic constant prices (2011-12) is anticipated to increase from Rs 104.70 lakh crore in 2015-16 to Rs 111.68 lakh crore in 2016-17. Anticipated growth of real GVA at basic prices in 2016-17 is 6.7 percent against 7.8 percent in 2015-16. The sectors which are likely to register growth rate of over 7 per cent are 'public administration, defence and other services', 'manufacturing' and 'trade, hotels, transport, communication and services related to broadcasting'. The growth in the 'agriculture, forestry and fishing', 'mining and quarrying', 'electricity, gas, water supply and other utility services', 'construction' and 'financial, real estate and professional services' is estimated to be 4.4 per cent, 1.3 per cent, 6.6 per cent, 3.1 per cent and 6.5 per cent respectively.

Industrial Production: Provisional CSO data show that the Index of Industrial Production (IIP) was down by 0.4 per cent in December 2016 but was up by 0.3 per cent in April-December 2016-17, depressed by declining growth in sectors like Manufacturing, Capital Goods, Intermediate Goods and Consumer Durables among others.

Inflation: The annual rate of inflation, based on monthly WPI, stood at 5.25 per cent (provisional) for the month of January 2017 (over January 2016). Build up inflation rate in the financial year so far was 5.31 per cent compared to a build up rate of 0.4 per cent in the corresponding period of the previous year. The all India CPI inflation rate (combined) for January 2017 stood at 3.17 per cent as compared to 3.41 per cent of previous month.

Infrastructure Growth: The yoy growth rate of the eight core infrastructure industries was up by 5.6 per cent in December 2016 and by 5 per cent in April-December 2016-17, led by the growth rates in all sectors except crude oil and natural gas.

Trade: Provisional figures from DGCI&S show that during April-January 2016 in dollar terms, overall exports were up by 1.1 per cent while imports were down by 5.8 per cent, both on yoy basis. During the same period, oil imports were valued at US\$ 69062.66 million, 5.81 per cent lower yoy while non-oil imports were valued at US\$ 238249.20 million, 5.8 per cent lower yoy. The trade deficit for April-January 2016-17 was estimated at US\$ 86389.08 million which was 19.82% lower than the deficit of US\$ 107744.74 million during April-January 2015-16.
