



PRESS RELEASE

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**Improvement of GDP numbers is an encouraging sign, but it is just a
'Temporary Pause' from the 'Downward Trend'.**

**India's Economic Stress continues; GDP far below at 6.3% compared
to 7.5% of Q2 of last year! -a close scrutiny reveals the Real Picture of
the Economic Mess created by BJP Govt**

**No amount of 'Spinning', 'Sugar Coating' and 'Bloating on figures;
will alter the Ground Reality that has hit us hard!**

**Agriculture Sector Growth is Abysmal & Core Sector Growth is
Stagnant & Manufacturing Down - What is the Modi Government
celebrating?**

If the numbers of GDP released by the Government are to be taken on its face value, a general inference points towards an arrest in continued fall of 'The Great Indian Economy'. **However, a closer scrutiny takes away the confidence that these numbers otherwise would have generated in the people of India.**

Modi Government's constant resort to market and arrogantly bloat on the meagre achievements by the just released GDP numbers is nothing but a desperate spin to hide its luminous underperformance. A dispassionate assessment reveals serious weaknesses in the Indian economy, affecting all major sectors. Income inequalities are worsening, unemployment is rising, the rural economy is struggling for breath, farmers are being driven to suicide and the middle-class is getting crushed under the double whammy of demonetisation and a flawed GST. A pause, a hiatus, a temporary stop or a respite from the downward trend which India's economy witnessed in the past.



If we look at the finer print of the details, there are several indices which look extremely weak and disappointing. :-

1. **6.3% is far below the PROMISE of the Modi Government**, far below the last year's quarter growth of 7.7% and far below the POTENTIAL of a well-managed Indian economy.
2. GDP growth in first half of this year (Apr-Sept) is 6%. It was 7.7% in first half of last year.
3. GVA (Gross Value Added) growth in first half of this year (Apr-Sept) was 5.8%. It was 7.2% in the first half of last year.
4. **Agriculture GVA growth slowed to 1.7% in the second quarter. This was 2.3% in the previous quarter. This is a significant downfall and impacts almost 70% of India.**
5. **Manufacturing Growth slowed to 7% in this quarter from 7.7% in the previous quarter.**
6. **Growth of eight core sector industries remains stagnant and slowed to 4.7% in October 2017.** The eight infrastructure sectors — coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity — had clocked a growth of 7.1% in October 2016. **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.**
7. **Construction sector is massively hit.** Construction industry's collapse shows in Cement at a decade low at - 2.7 % (minus) compared to 6.2% on year on year basis.
8. **Steel output falls** to 8.4% compared to 17.4% on year on year basis.
9. **Refinery output falls** to 7.5% compared to 12.6% on year on year basis.
10. **Electricity output falls** to 2.1% compared to 5.1% on year on year basis.
11. **Private Investment is stagnant.** Gross Fixed Capital Formation (GFCF) – a key indicator to measure Private Investment, as a percentage of GDP is lowest since 14 years. Gross fixed capital formation at 4.3% is abysmal- and bodes ill for the future.

Present Government lives in a 'make believe cuckoo world' as it is blinded by blinkers of 'Achhe Din' in this election season, unable to see, feel, judge or address India's real pain.