

India Economic Monitor

March 2022 Update



Executive Summary



India's GDP grew by 5.4% YoY in Oct-Dec'21, surpassing pre-COVID levels by 6.2%. Agriculture & industrial sectors witnessed subdued growth while services exhibited strong recovery vs. Oct-Dec'20. Gross fixed capital formation, an indicator of aggregate additions to the fixed assets of the economy, dipped vs. previous quarter, although remained above 2019 & 2020 levels. Manufacturing growth remained muted while construction sector recorded degrowth vs. 2020. Russia's invasion of Ukraine led to mixed impact across select high frequency indicators vs. previous month in Jan-Feb'22. Increased crude & commodities prices constrained growth across indices of industrial activity. Higher mobility led to growth across most logistics indicators vs. Feb'21. Merchandize imports increased on account of elevated crude oil prices, resulting in significant widening of merchandize trade gap vs. Jan'22. UPI transaction value & volume remained unchanged for the second consecutive month in Feb'22. Chip shortages & supply constraints continued to affect auto sales vs. pre-COVID levels. Some sectors (e.g., steel & cement) recorded mild growth, however, rising input prices remain a major deterrent to future recovery. CMIE's rural & urban employment rates remained below pre-COVID levels. Food & beverages inflation drove CPI inflation, breaching RBI's 6% mark for the second consecutive month; WPI also remained double digits owing to increased prices of minerals, fuels, metals & crude oil. Both manufacturing & services PMI grew modestly vs. Jan'21, although remained above the 50-point mark. Analyst forecasts indicate GDP growth between 7.5% to 9% YoY. We expect to see an impact of the war in Ukraine on economic indicators in upcoming months.

2019 data has been considered as pre-COVID level to assess recovery trends



Trends across key economic indicators



Industrial Activity

- Both IIP & ICI grew in Jan'22 vs. Jan'21 & pre-COVID levels, however MoM growth was constrained
- Daily average power & fuel consumption improved on account of improved mobility vs. pre-COVID levels, however, remained marginally below Jan'21 levels



Trade

- Elevated crude oil prices caused a surge in merchandise imports, resulting in significant widening of merchandise trade gap vs. Jan'22
- Services trade surplus plunged MoM in Jan'22 owing to a decline in services exports



Logistics

- Some logistics indicators (e.g., JNPT traffic, air freight & passenger traffic) dipped vs. previous month & pre-COVID levels while others (e.g., railway passenger bookings) increased
- E-way bills & FASTag transactions witnessed muted growth, however remained above Feb'19 levels in Feb'21



Financial Services

- Overall monetary & credit conditions remained in sync with RBI's accommodative policy stance; Aggregate deposits & bank credit marginally declined in Jan'22 vs. Dec'21
- UPI transaction value & volumes remained unchanged for the third consecutive month in Feb'22



Sector-wise Impact

- Growth across select auto sectors (e.g., 2W, 3W & tractors) remained muted while PV sales recorded an uptick; Supply chain concerns related to the war in Ukraine continued to have a mixed impact on auto sales vs. pre-COVID levels
- Cement improved for the second consecutive month; Steel consumption declined vs. Jan'22 & Feb'21
- Both life & non-life insurance premium improved vs. Feb'21 & Feb'19 levels



Macroeconomic Indicators

- GST collections remained above INR 1.3 Tn mark for the fifth consecutive month
- MGNREGA employment demand and supply remained below Feb'21 levels, although exceeded Feb'19 levels
- CMIE rural & urban employment rates remained near Feb'21 levels in Feb'22, however fell below pre-COVID levels
- Concerns over the war in Ukraine contributed to a spike in crude oil prices vs. previous months



Sentiment

- CSI recorded gradual improvement, although remained in pessimistic zone; FEI remained in optimism zone, albeit dipped vs. Dec'21
- WPI scaled a new high, driven by metals, chemicals, crude petroleum prices; CPI breached RBI's 6% band for the second consecutive month on account of food & beverages inflation
- Manufacturing & services PMI remained in expansion mode, however outlook remains clouded amidst rising commodity prices

Summary: Some high frequency indicators remained below pre-COVID levels while others exceeded pre-COVID levels during Jan-Feb'22

Absolute YoY delta comparison of 2021-22 month-wise data vs. pre-COVID 2019 levels (for respective month)

	Indicator	Unit	Sep	Oct	Nov	Dec	Jan	Feb
1	Industrial Activity							
	Index of Industrial Prod.	Index	4%	8%	0%	3%	3%	NA
	Power Consumption	MU	1%	14%	6%	8%	9%	5%
	Petroleum Consumption	MT	-2%	3%	-7%	-3%	-5%	1%
2	Trade							
	Services Export	USD	18%	12%	12%	27%	22%	NA
	Services Import	USD	10%	7%	10%	19%	20%	NA
	Merchandise Export	USD	30%	35%	16%	38%	31%	30%
	Merchandise Import	USD	53%	48%	39%	54%	26%	53%
3	Logistics							
	E-Way Bills Generated	Mn	30%	39%	4%	29%	29%	32%
	Railway Freight Originated	MT	20%	25%	16%	16%	20%	20%
	JNPT Container Traffic	TEUs	8%	18%	23%	25%	19%	13%
	Air Freight	kT	-3%	0%	-8%	2%	-9%	NA
	Air Passenger Traffic	Mn	-43%	-34%	-26%	-21%	51%	NA
	Rail Passengers Booked	Mn	-58%	-51%	-46%	-43%	-53%	-36%
4	Financial Services							
	UPI Transactions	Mn	305%	303%	306%	308%	657%	675%
	Total Bank Credit	INR	12%	12%	13%	17%	24%	NA
	Total Bank Deposits	INR	21%	21%	20%	20%	34%	NA

	Indicator	Unit	Sep	Oct	Nov	Dec	Jan	Feb
5	Sector-wise Impact							
	Cement Production	MT	7%	18%	-10%	5%	12%	NA
	Steel Sales	MT	-3%	-1%	8%	10%	19%	4%
	Passenger Vehicle Sales	k	-23%	-17%	-17%	-5%	-10%	-3%
	Tractor Sales	k	15%	12%	24%	9%	10%	15%
	Two-wheeler Sales	k	-4%	-7%	-18%	2%	-18%	-25%
	Fertilizer Sales	MT	-27%	6%	5%	7%	NA	NA
	Gross Premium (Life)	INR	55%	25%	4%	-2%	26%	51%
	Gross Premium (Non-Life)	INR	-8%	11%	8%	18%	33%	28%
	Pharma. Sales	INR	18%	16%	8%	14%	NA	NA
6	Macroeconomic Indicators							
	Total GST Collection	INR	27%	36%	27%	26%	35%	37%
	MGNREGA Jobs Demand	HHs	61%	60%	39%	45%	2%	12%
	Wholesale Price Index	%	10.6	12.5	14.2	13.5	12.96	13.11
	Consumer Price Index	%	4.3	4.4	4.9	5.6	6.01	6.07
	No. of Tenders Announced	k	129%	168%	140%	186%	68%	NA
7	Sentiment							
	India VIX	Index	16%	7%	52%	39%	28%	56%
	PMI (Manufacturing)	Index	53.7	55.9	57.6	55.5	54	54.9
	PMI (Services)	Index	55.2	58.4	58.1	55.5	51.5	51.8



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Economic Indicators

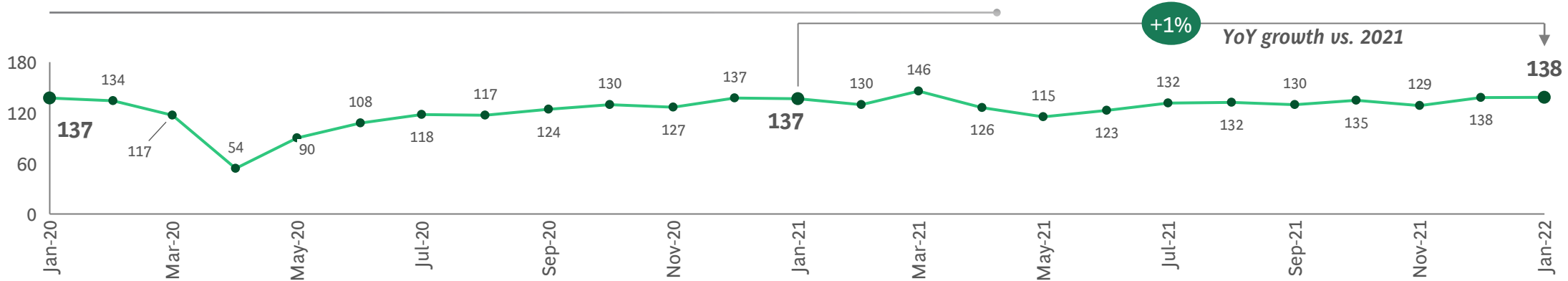
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GDP Deep-Dive



IIP remained at Dec'21 levels in Jan'22, however exceeded Jan'21 levels; ICI improved in Jan'22 vs. Dec'21 & Jan'21 levels

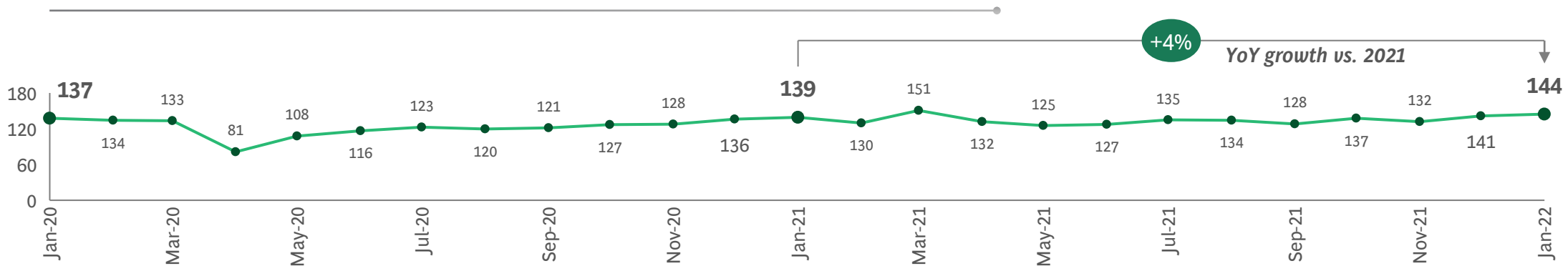
IIP (Index of Industrial Production)¹



CAGR (Jan'19-22)

+1%

ICI (Index of Core Industries)²



CAGR (Jan'19-22)

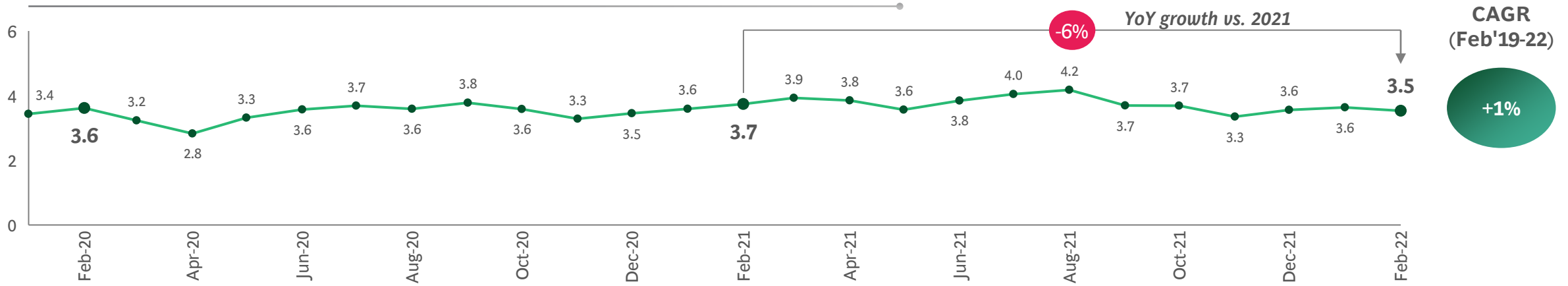
+2%

1. Index of Industrial Production (IIP) shows the growth rates in different industry groups (comprises of Mfg. (78% weightage), Mining (14%), Electricity (8%))
 2. Index of Core Industries (ICI) measures performance of production in 8 core industries (Coal, Crude, NG, Refinery Products, Fertilizers, Steel, Cement & Electricity)

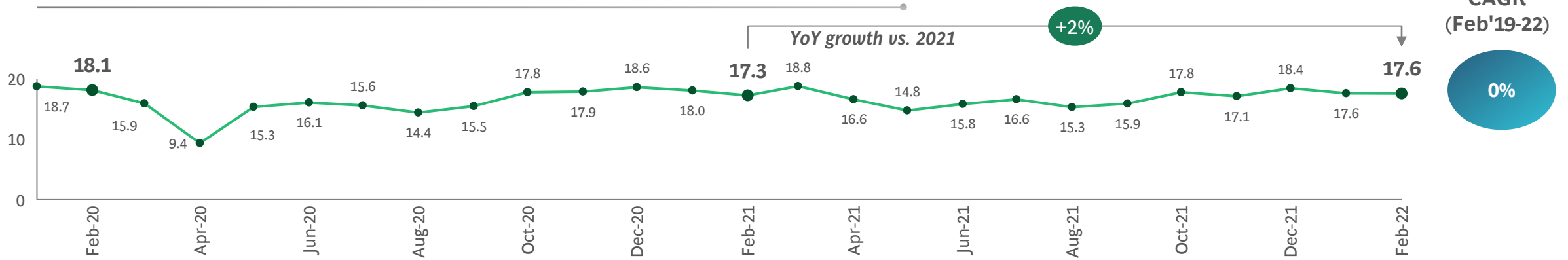


Daily average power consumption fell marginally while fuel consumption remained unchanged vs. Jan'21 in Feb'22

Daily Average Power Consumption Volume ('000s MUs)



Consumption of Petroleum Products (in MMT)¹

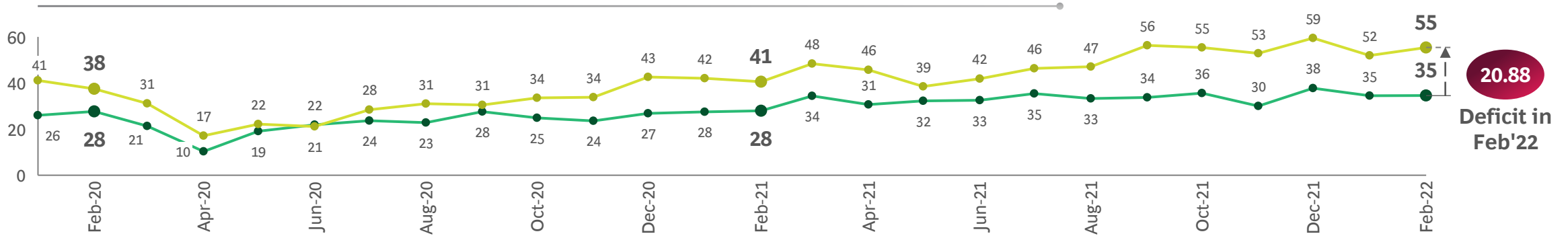


1. Petroleum products include LPG, Naphtha, MS, ATF, SKO, HSD, LDO, Lubricants & Greases, FO & LSHS, Bitumen, coke as reported (provisional) by Petroleum Planning & Analysis Cell
 Source: Power System Operation Corporation, Ministry of Statistics & Programme Implementation, Dept. for Promotion of Industry & Internal Trade, PPAC, BCG analysis

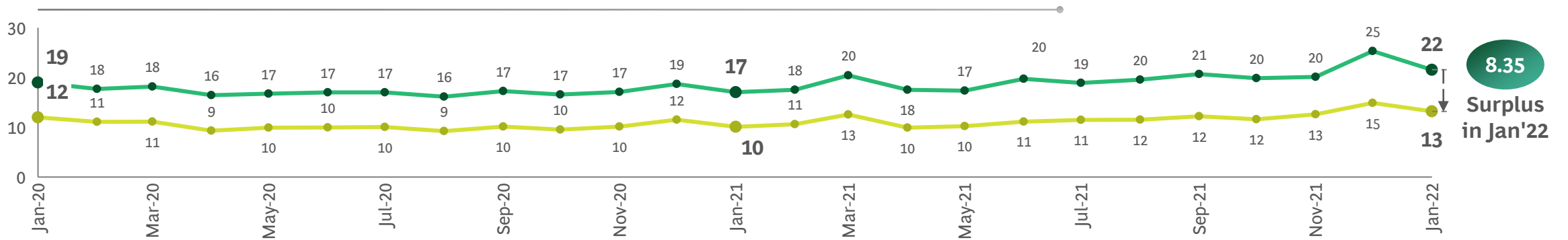


Merchandize trade gap widened significantly in Feb'22 vs. Jan'22 & Feb'21; Services trade surplus fell in Jan'22 vs. Dec'21 levels, albeit remained above Jan'21 levels

Merchandize Trade (USD Bn) ● Merchandize Exports ● Merchandize Imports



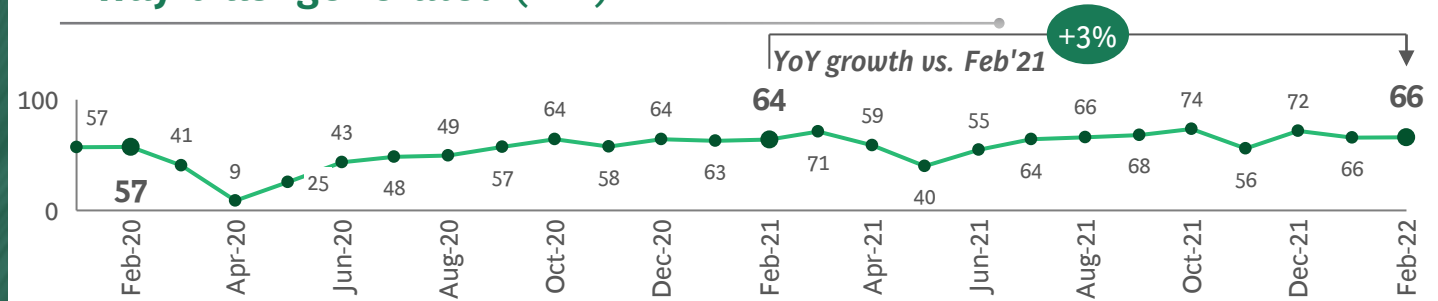
Services Trade (USD Bn) ● Services Exports ● Services Imports



1. Feb'22 Merchandize Import and Export numbers; Service Import and Export numbers are provisional as provided by the Ministry of Commerce and Industry on 14th Mar'22
Source: RBI, Ministry of Commerce and Industry, BCG analysis

E-way bills remained at Jan'22 levels in Feb'22 while FASTag transactions grew, both exceeding 2021 levels; Railway freight declined in Feb'22 vs. Jan'22, however remained above Feb'21 & Feb'19 levels

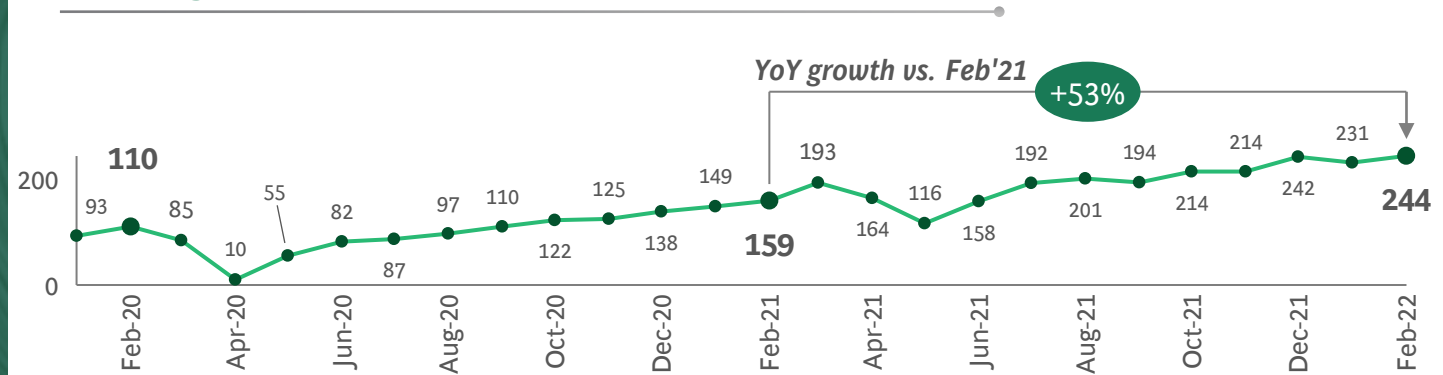
E-way bills¹ generated (Mn)



CAGR (Feb'19-22)

+10%

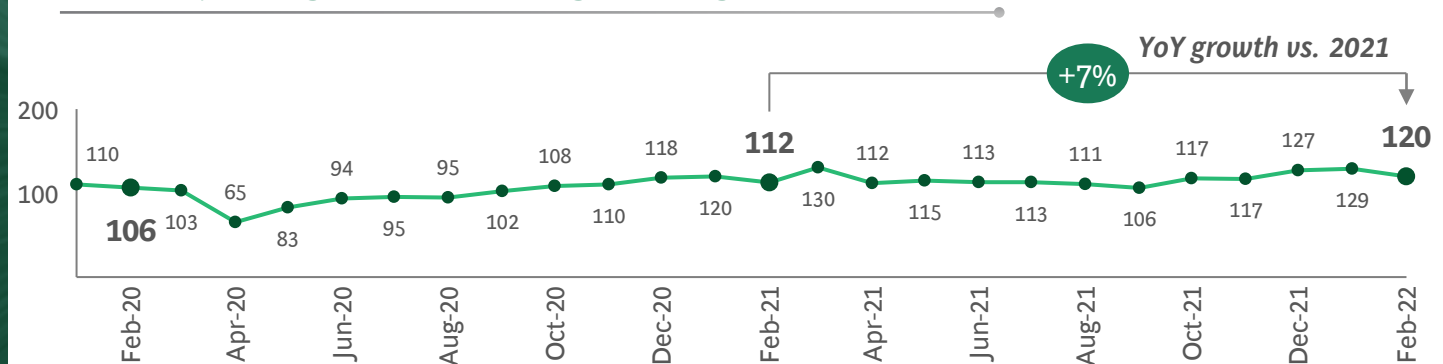
FASTag transaction volume (Mn)



CAGR (Feb'19-22)

+117%

Railway freight traffic originating (Mn Tons)



CAGR (Feb'19-21)

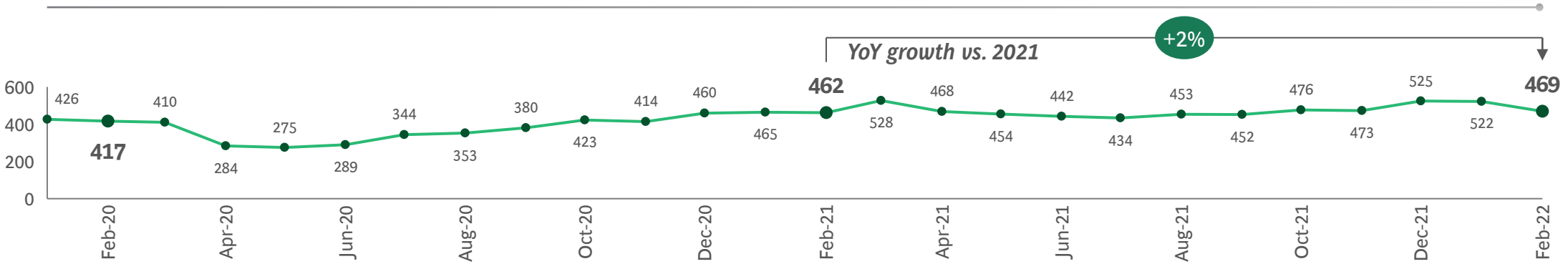
+6%

1. E-Way bills are required to be generated at the time of transport of goods by every registered person if the value of the consignment exceeds INR 50,000. Source: GST Network, NHAI, NPCI, Ministry of Railways, CEIC data, BCG analysis



JNPT traffic & air freight declined in Feb'22 vs. Jan'22, marginally exceeding 2021 levels

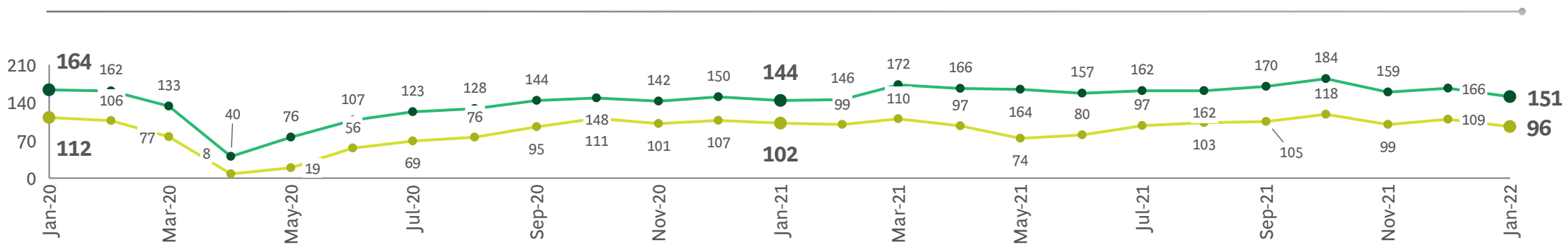
JNPT Container Traffic ('000s TEUs¹)



CAGR (Feb'19-22)
+4%

Air Freight (K Tons)

● International ● Domestic



CAGR (Jan'19-22)
-3%

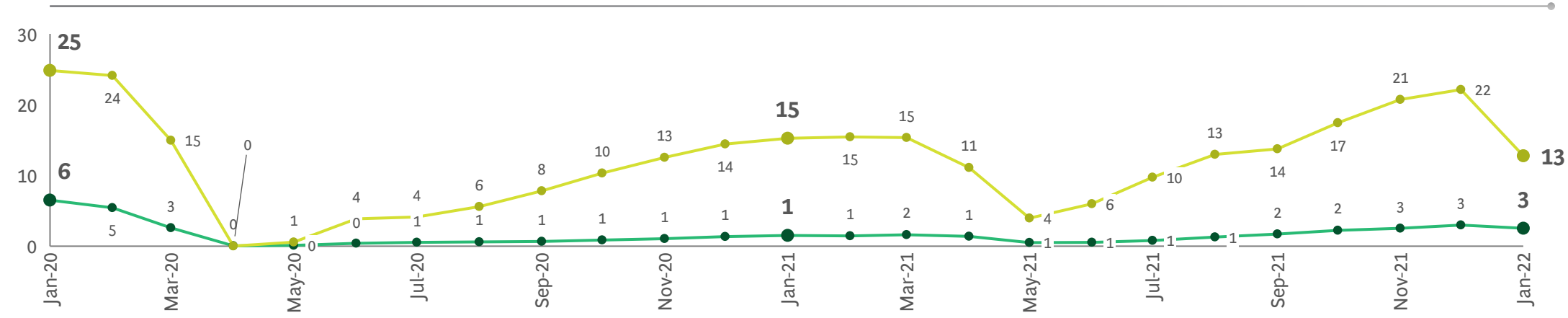
1. TEU refers to Twenty-foot equivalent unit equivalent to 20 shipping containers (20 feet long, 8 feet tall)
Source: Jawaharlal Nehru Port Trust, Airport Authority of India, BCG analysis



Rail passenger traffic grew while air passenger traffic fell sharply in Jan-Feb'22 vs. previous month, both remaining below pre-COVID levels

Air Passengers (Mn)

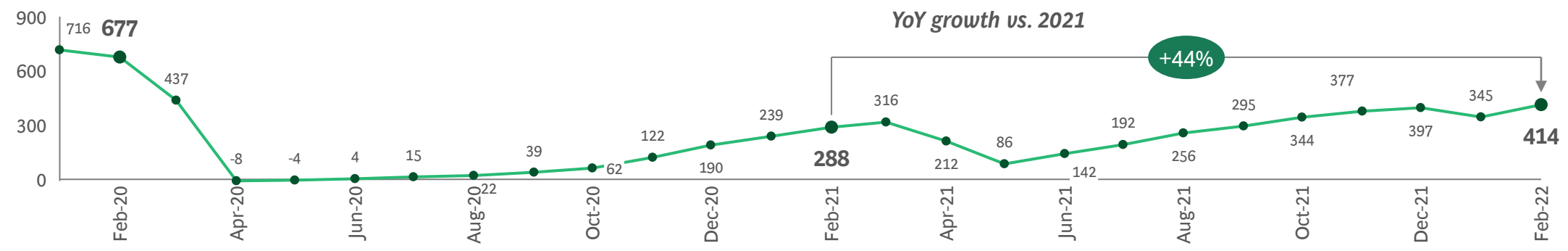
● International ● Domestic



CAGR (Jan'19-22)

-21%

Railway Passenger Bookings (Mn)



CAGR (Feb'19-22)

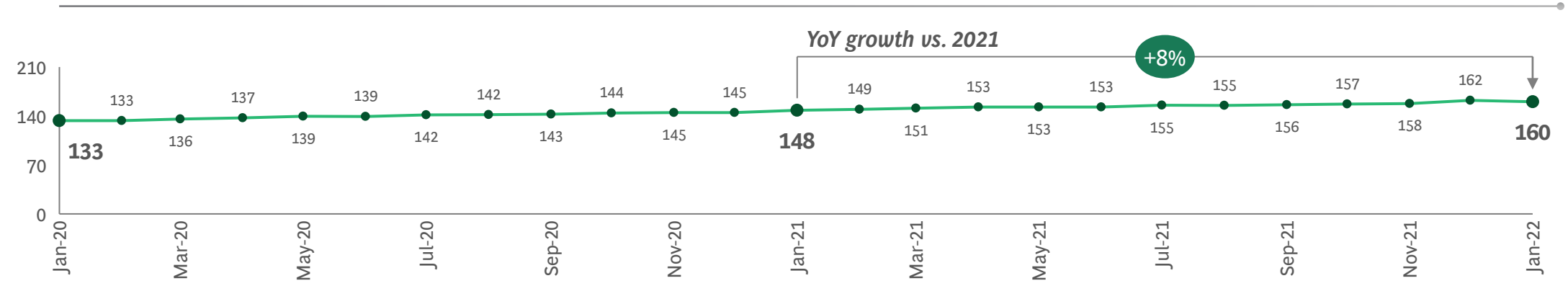
-14%

Source: Ministry of Railways, CEIC data, Airport Authority of India, BCG analysis



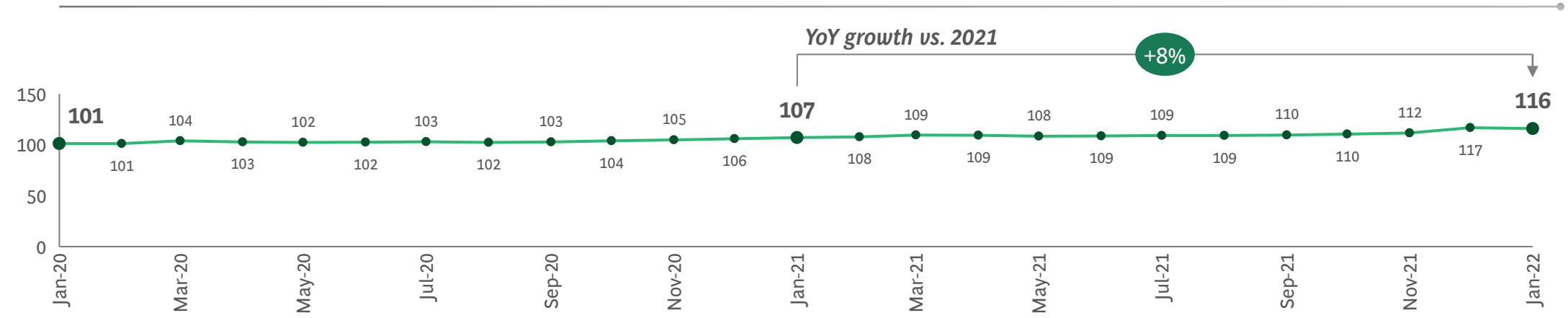
Aggregate bank deposit & credit dipped marginally in Jan'22 vs. Dec'21, albeit remained above Jan'21 levels

Total deposits value aggregated for all banks (INR Tn)



CAGR (Jan'19-22)
+10%

Total credit outstanding value aggregated for all banks (INR Tn)



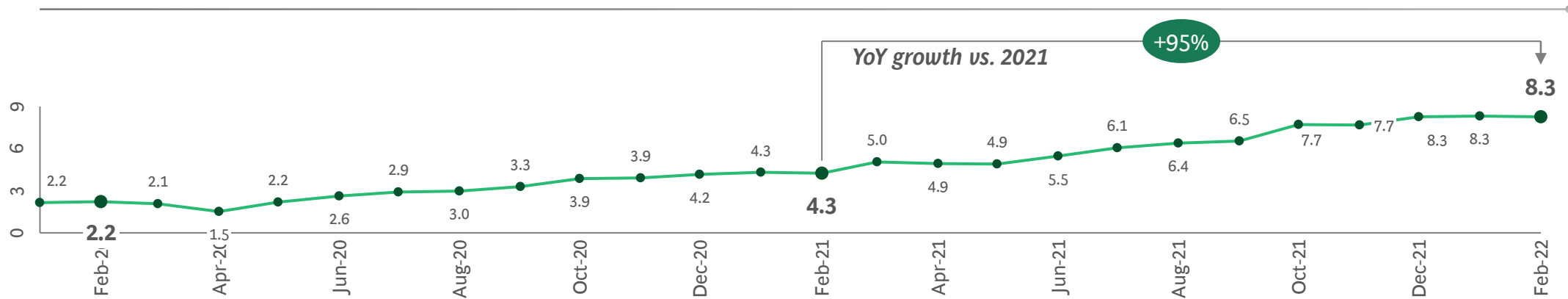
CAGR (Jan'19-22)
+7%

Source: RBI DBIE, BCG analysis

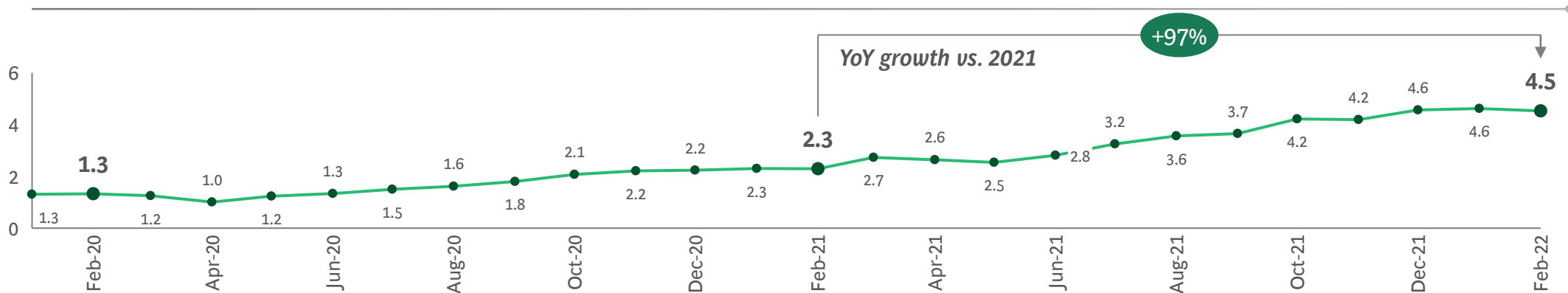


UPI transaction value & volume remained unchanged for the third consecutive month in Feb'22, albeit significantly exceeded Feb'21 levels

UPI Transactions Value (in INR Tn)



UPI Transactions Volumes (in Bn)

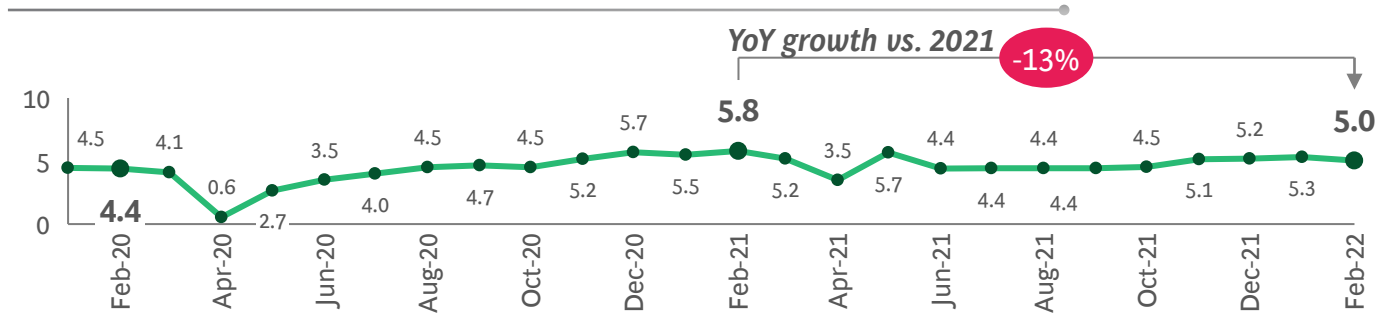




Steel consumption improved in Feb'22 vs. Feb'19, although declined vs. Feb'21 & Jan'22 levels

Cement production increased for the second consecutive month in Jan'22, exceeding Jan'21 levels

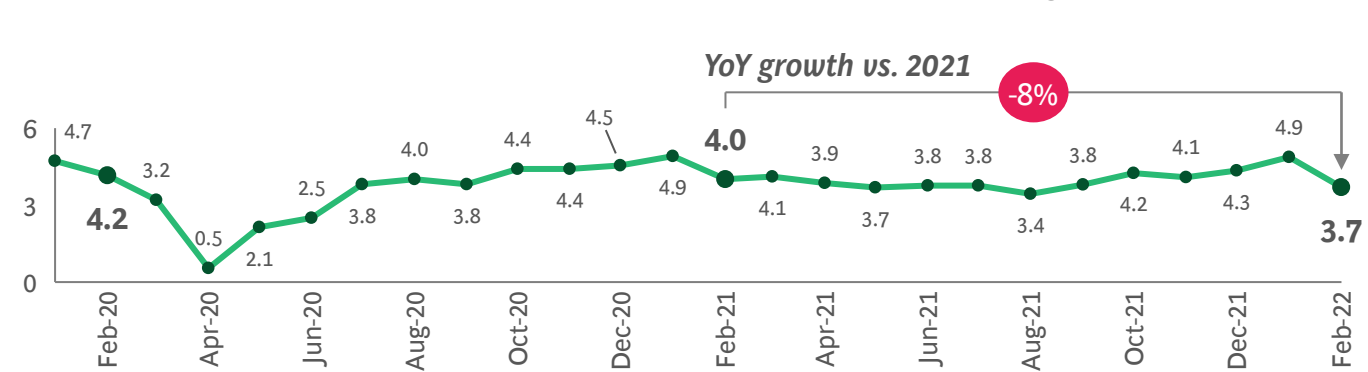
Consumption of Long Steel (in MMT)



CAGR (Feb'19-22)

+7%

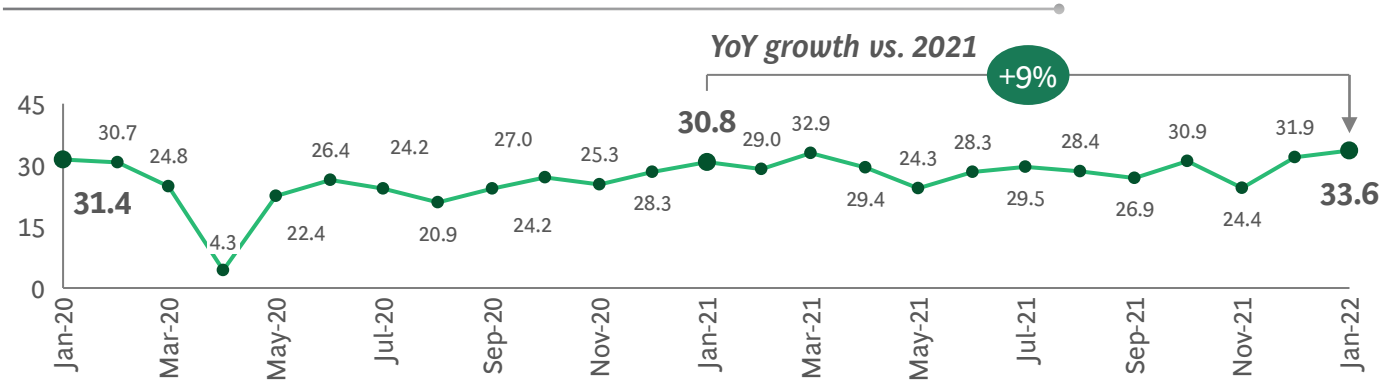
Consumption of Flat Steel (in MMT)



CAGR (Feb'19-22)

-5%

Cement Production (in MT)



CAGR (Jan'19-21)

+4%

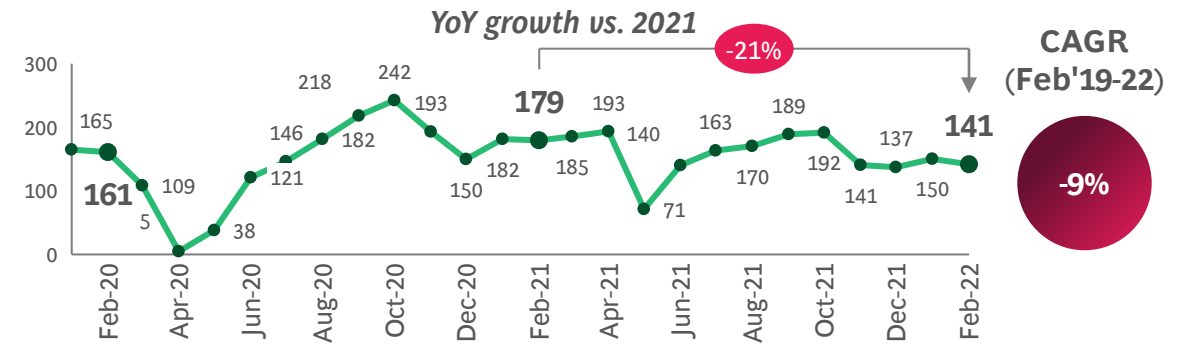


Auto sales dropped in Feb'22 vs. Feb'21; 2W & tractor sales declined while PV sales improved & 3W sales remained unchanged in Feb'22 vs. Jan'22

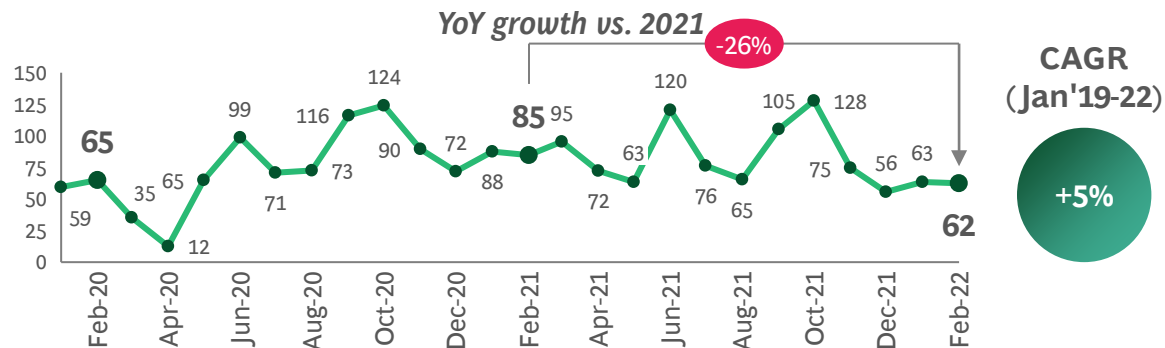
Passenger vehicles sales ('000 units)



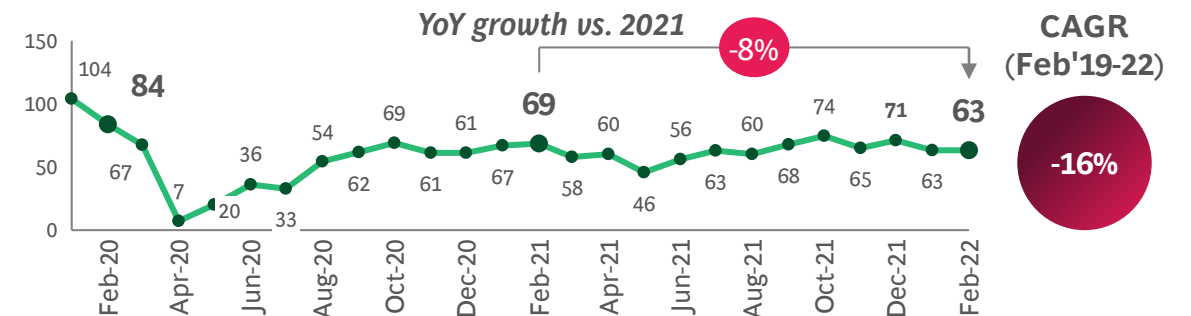
Two-wheeler sales ('0000 units)



Tractor sales ('000 units)



Three-wheeler sales ('0000 units)

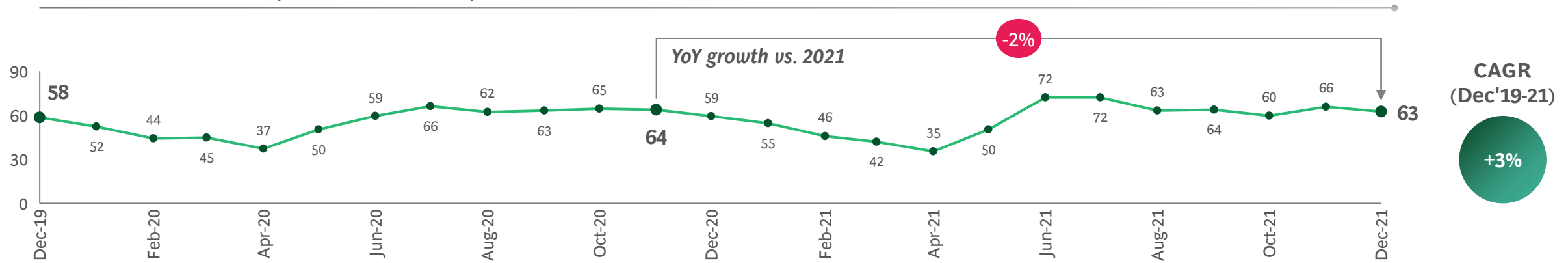


Figures represent wholesale numbers (including exports).
 1. BMW, Mercedes and Volvo Auto data is not available; Source: SIAM, CMIE, TMA, Press search, BCG analysis

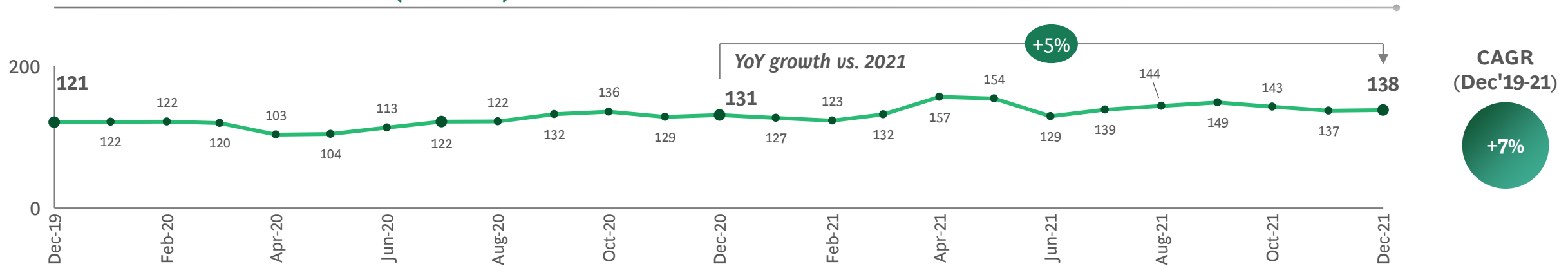


Fertilizer sales dipped in Dec'21 vs. Nov'21 while pharma sales marginally increased vs. Nov'21 levels, both exceeding pre-COVID levels

Fertilizer Sales (in lac tonnes)



Pharmaceutical Sales¹ (INR Tn)



1. Pharmaceutical Sales are updated quarterly. Last updated in Sep'21

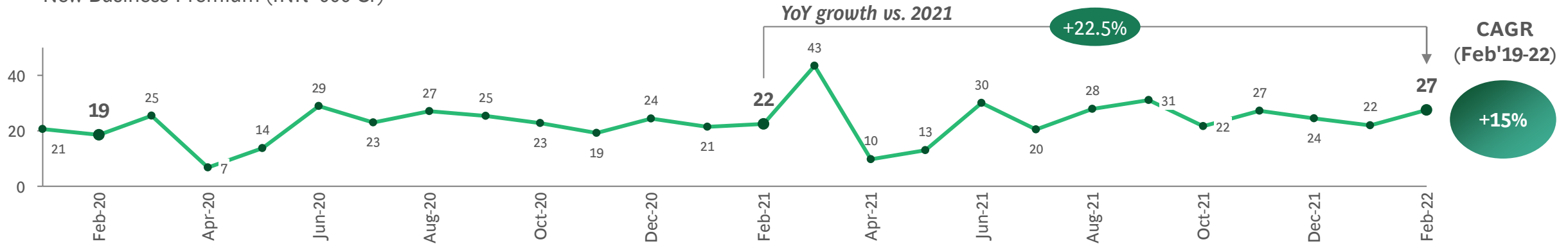
Source: AIOCD (Total Sales), American Chemistry Council, Mobile Based Fertilizer Management System (mFMS), Ministry of Chemicals and Fertilizers, Press search, BCG analysis



Life insurance premium improved while non-life insurance premium declined in Feb'22 vs. Jan'22, although both exceeded Feb'21 levels

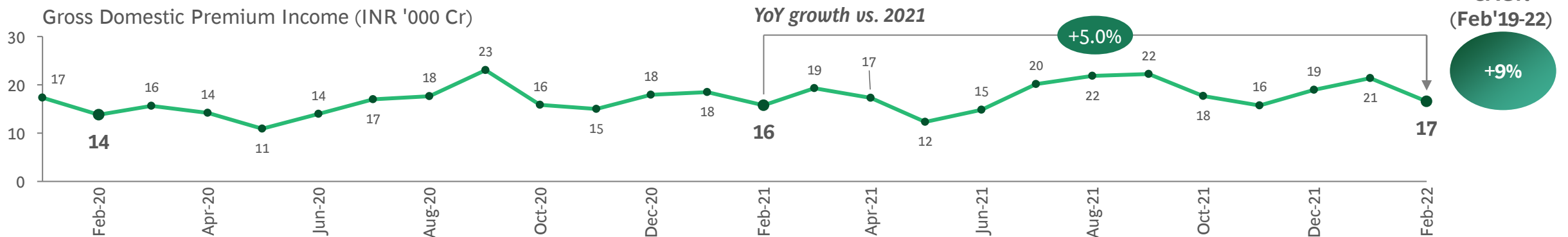
Life Insurance premium

New Business Premium (INR '000 Cr)



Non-Life Insurance premium¹

Gross Domestic Premium Income (INR '000 Cr)



1. Non-Life Insurance includes Fire, Marine, Motor, Engineering, Health, Cop Insurance, Credit Guarantee, Aviation, Personnel accident and Miscellaneous
Source: IRDAI, BCG Analysis

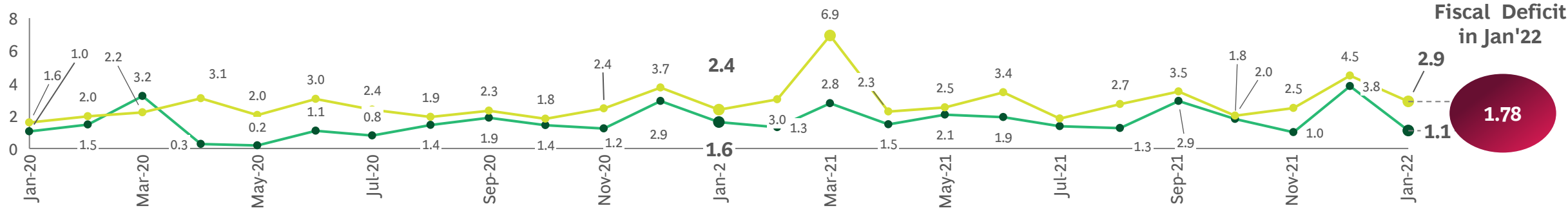


Fiscal deficit rose sharply in Jan'22 vs. Dec'21 & Jan'21 levels; GST collections dipped MoM in Feb'21, albeit remained above INR 1.3 Tn mark

Central Govt. Revenue & Expenditure (INR Tn)

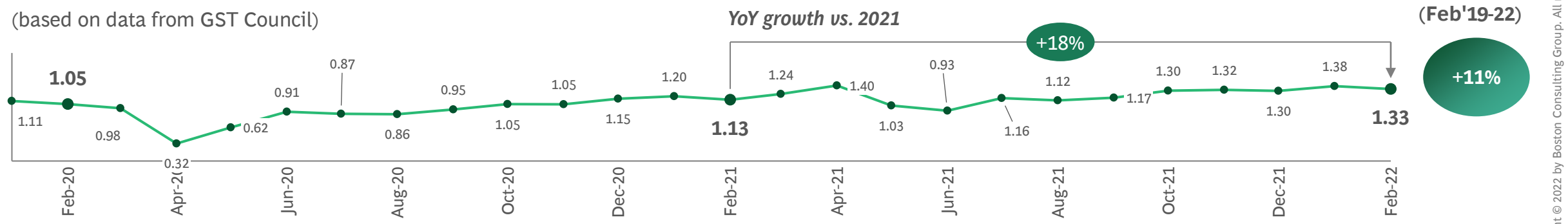
Receipts Expenditure

(based on data from Controller General of Accounts, Ministry of Finance)



Total GST Collections¹ (INR Tn)

(based on data from GST Council)

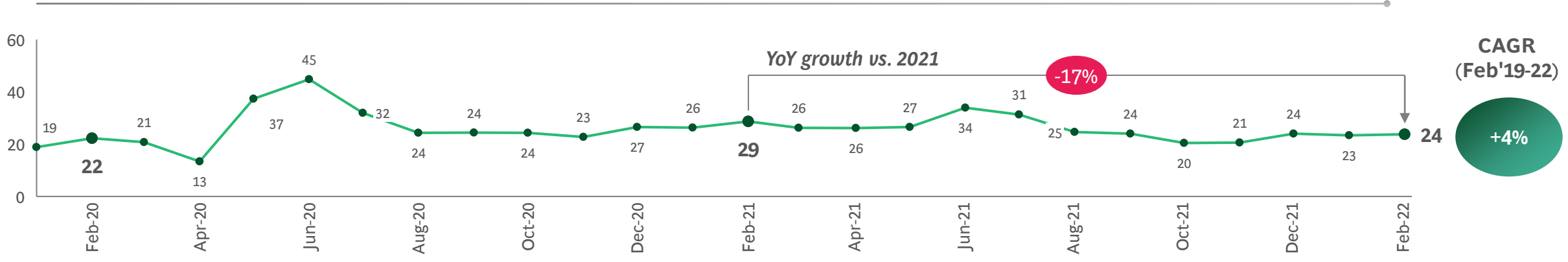


1. GST Collections include all components: CGST, SGST, IGST, Cess
Source: Ministry of Finance, GST Council, BCG analysis

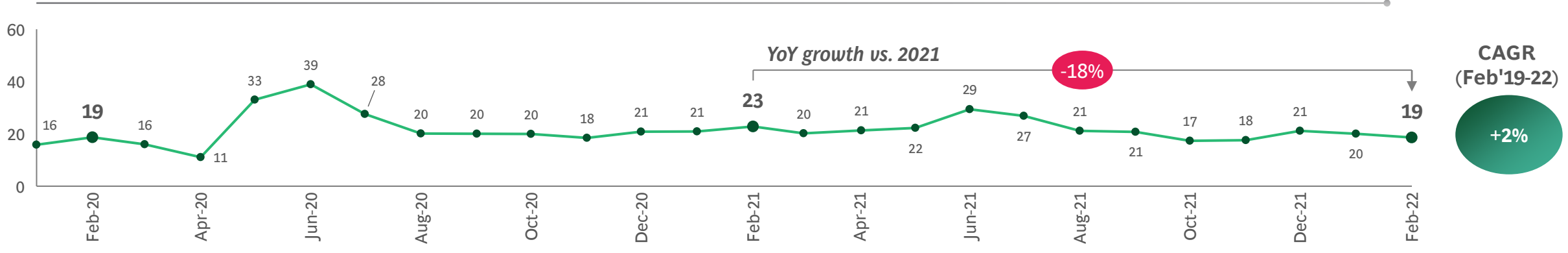


MGNREGA work demanded increased while employment provided fell in Feb'22 vs. Jan'22, both remaining below Feb'21 levels

MGNREGA Work Demand (households, in Mn)



MGNREGA Employment Provided (households, in Mn)

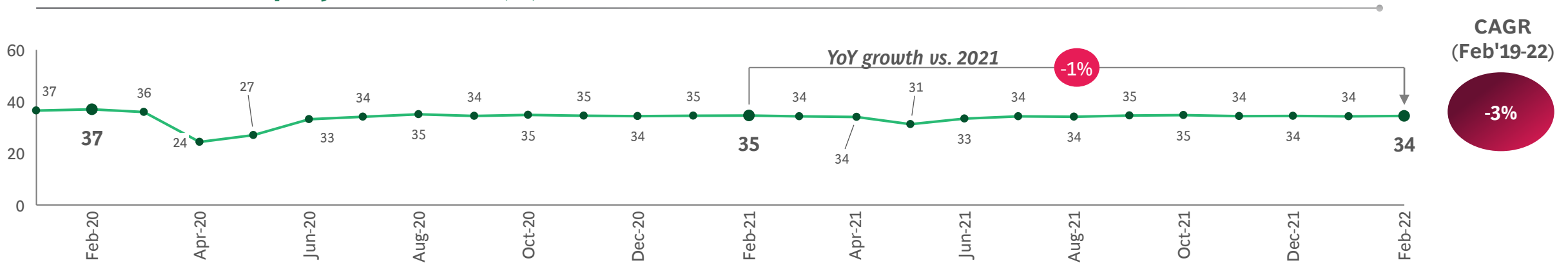


MGNREGA refers to Mahatma Gandhi National Rural Employment Guarantee Act
 Source: Ministry of Labor & Employment, Ministry of Rural Development, The Indian Express, Outlook India, LiveMint, CMIE, BCG analysis

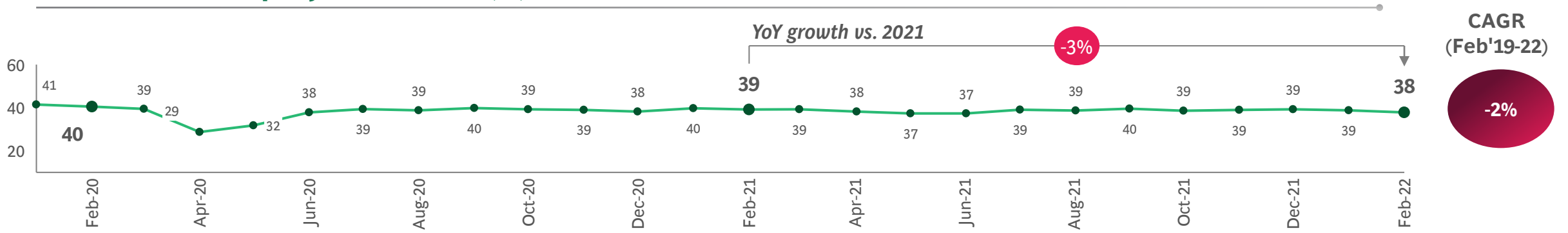


Urban employment remained unchanged while rural employment fell marginally in Feb'22 vs. Jan'22, although both remained below 2021 levels

CMIE Urban Employment Rate (%)



CMIE Rural Employment Rate (%)



CMIE's Consumer Pyramids panel of households contains over 178,677 households and these include over 522,000 members who are over 15 years old. This is the largest sample of individuals from whom data is gathered on the employment and unemployment status. Employment status indicates whether a member of a household who is 15 years of age or more is employed or not employed as of the date of the survey.
 Source: CMIE Consumer Pyramids survey

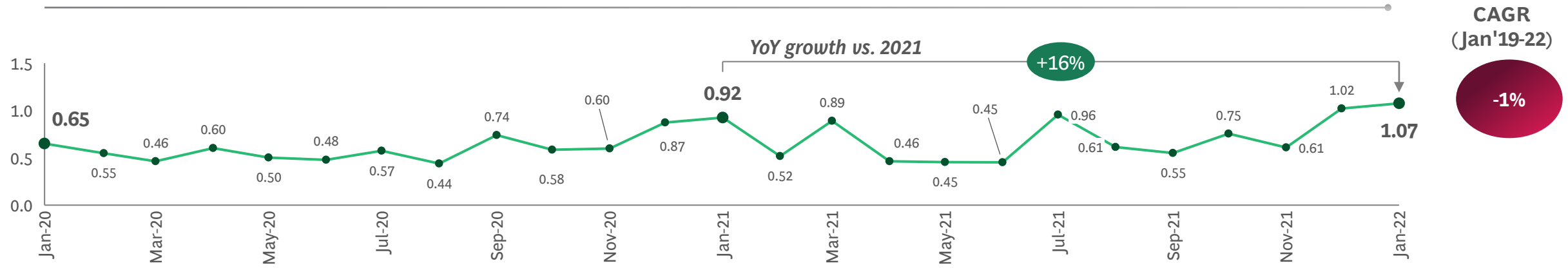


Count & value of Govt. tenders grew in Jan'22 vs. Dec'21, surpassing Jan'21 levels

Count of tenders announced by central and state govts (K)



Value of tenders announced by central and state govts (INR Tn)

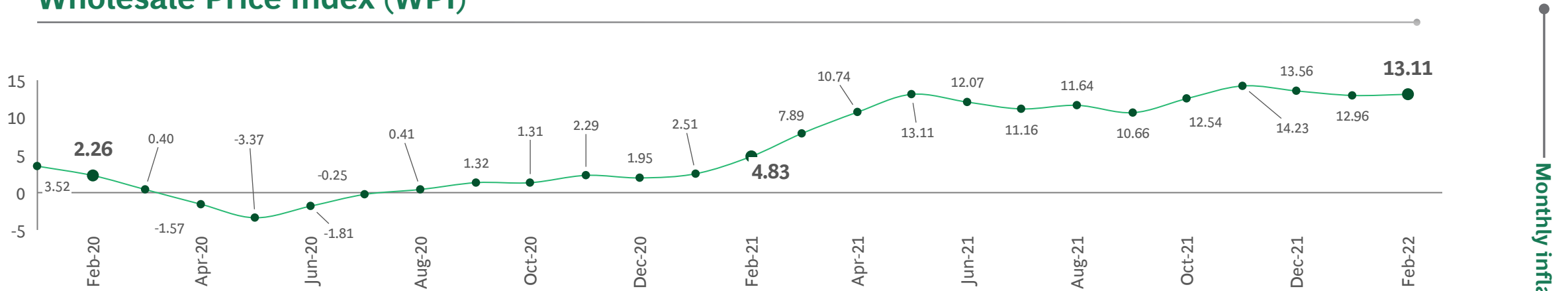


Source: Project Today database, BCG analysis

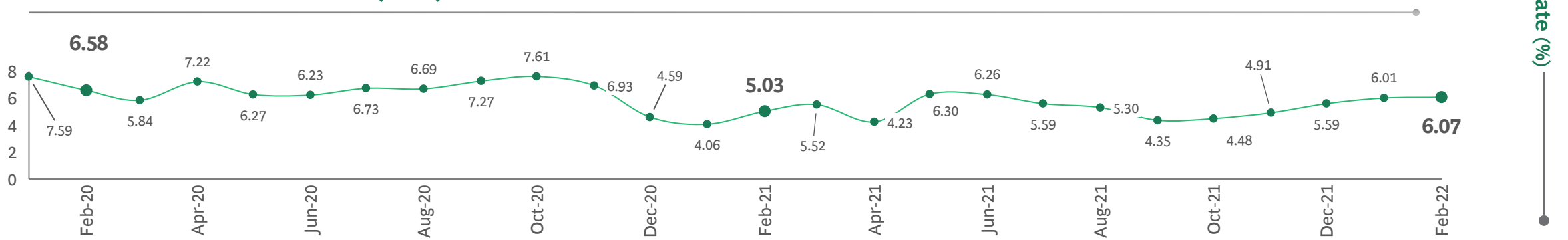


Both WPI & CPI spiked sharply in Feb'22 vs. Jan'22; CPI breached RBI's 6% band for the second consecutive month

Wholesale Price Index (WPI)¹



Consumer Price Index (CPI)²



1. WPI measures and tracks the changes in the price of goods in the stages before the retail level – that is, goods that are sold in bulk and traded between entities or businesses instead of consumers. It is calculated as YoY increase in prices of the commodities

2. CPI is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated as YoY increase in prices of the commodities

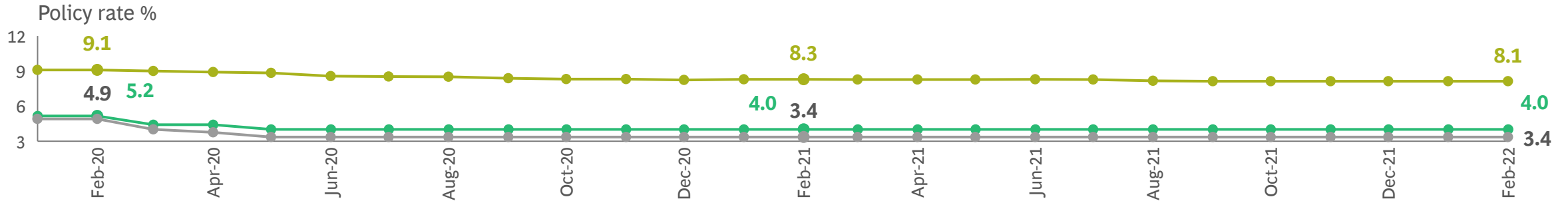
Source: MOSPI, CMIE, BCG Analysis



Repo and reverse repo rate remained unchanged from the previous months in Feb'22; MCLR declined marginally in Feb'22 vs. Jan'22

Reserve bank's policy rates (%)

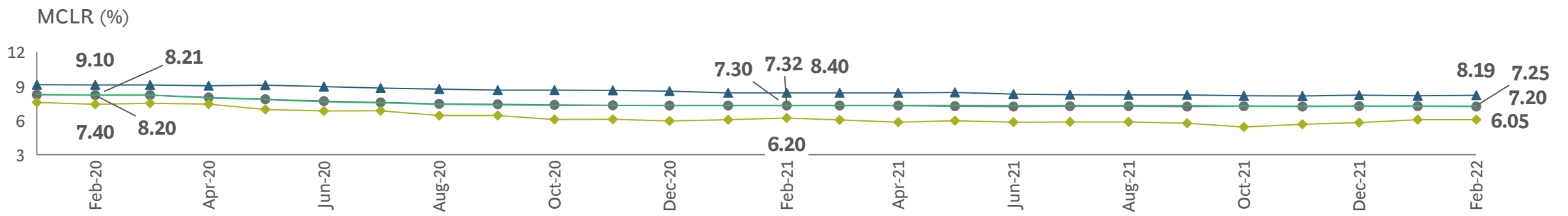
Repo rate Reverse Repo rate Base Rate



MCLR¹ of scheduled commercial banks

(Median rate on one-year borrowings, in %)

Total Public Sector Banks Private Sector Banks Foreign Banks

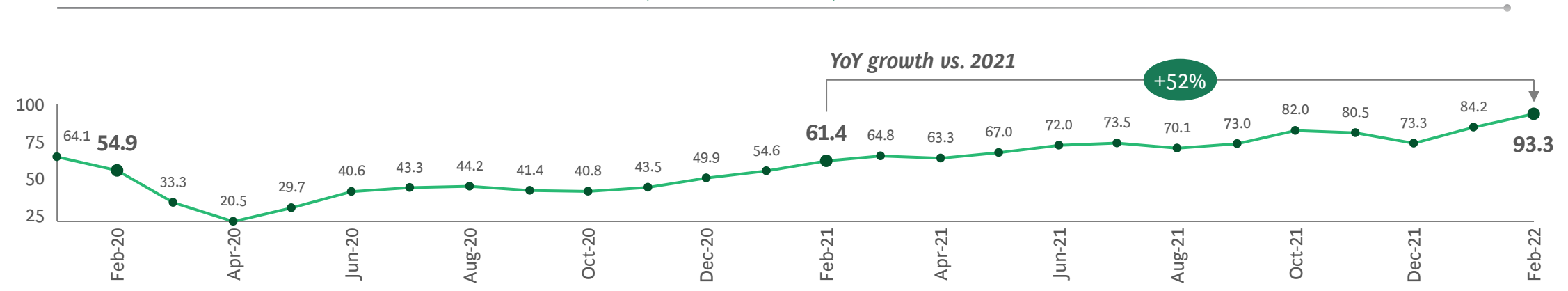


1. MCLR: Minimum interest rate at which scheduled commercial banks can lend to customers (based on incremental cost of funds). 2. Base Rate: Minimum rate set by the Reserve Bank of India below which banks are not allowed to lend to its customers 3. Repo Rate: Interest rate at which the RBI lends short term funds to licensed commercial banks 4. Reverse Repo Rate: Interest rate which the RBI borrows money from commercial banks. Source: CMIE, RBI DBIE

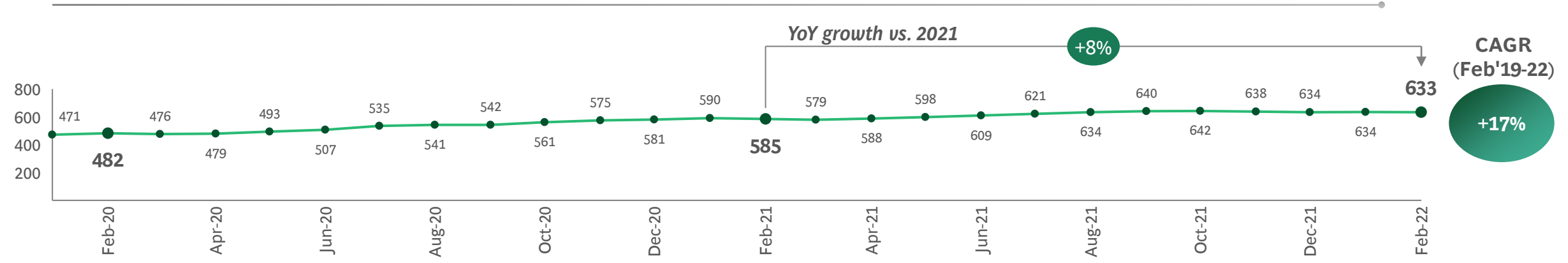


Crude oil prices jumped to a new high in Feb'22 vs. previous months; Forex reserves declined marginally in Feb'22 vs. Jan'22

Prices of Indian basket of crude oil¹ (USD/Barrel)



Forex reserves (\$ Bn)

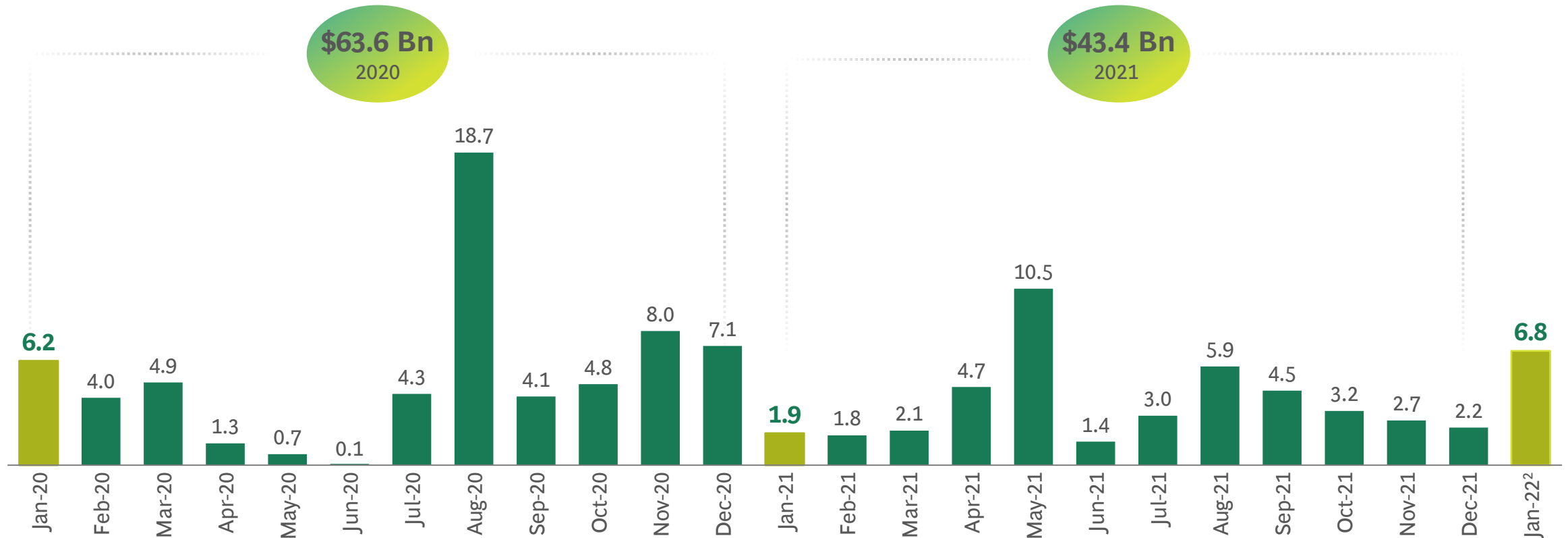


1. Indian basket of Crude Oil represents a derived basket comprising of sour grade (Oman & Dubai average) and sweet grade (Brent Dated) of crude oil processed in Indian refineries. It is used as an indicator of price of crude imports in India
 Source: CMIE, RBI, IndiaStat



FDI inflows increased sharply in Jan'22 vs. Jan'21 & Jan'20 levels

Foreign Direct Investments¹ (\$ Bn)



1. Denotes total inward FDI to India; 2. Jan'22 figures are provisional

Note: Past period data may vary from the previous versions of the Economic Monitor owing to restating of previous years' data by the CMIE/reporting agencies

Source: CMIE, RBI

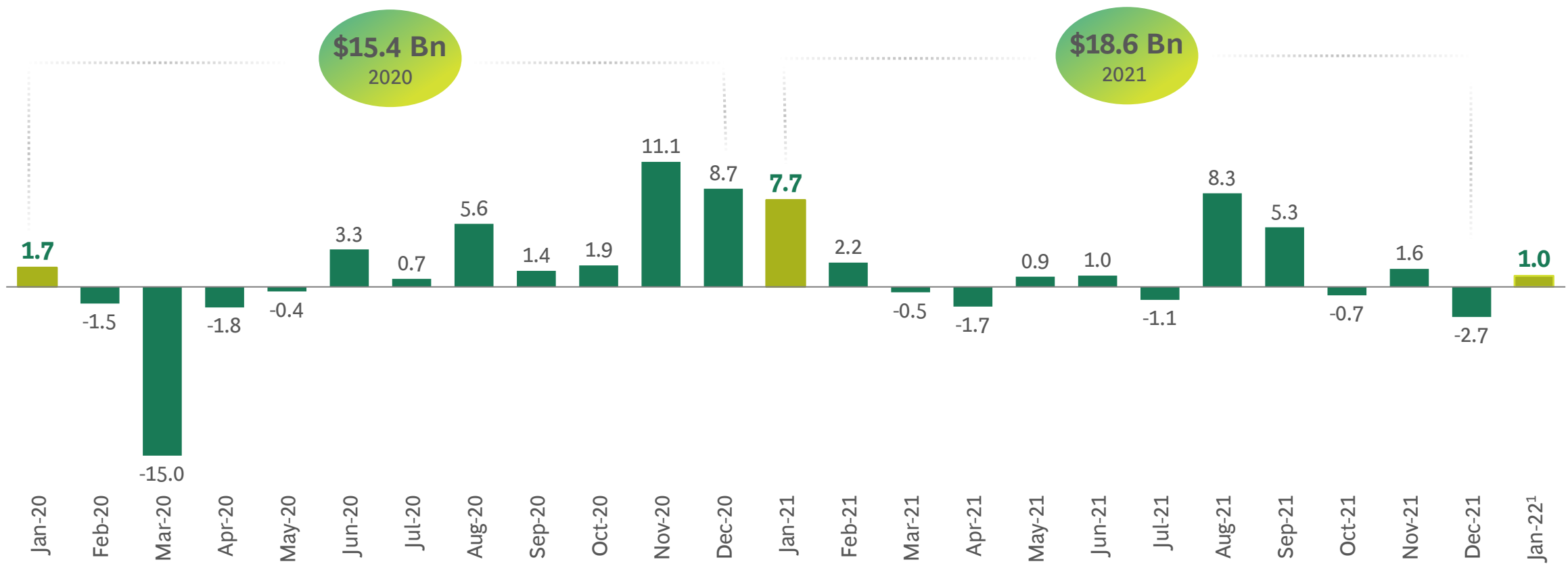
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Annual (Calendar Year) FDI Inflows



Foreign Institutional Investments re-entered the positive territory in Jan'22 vs. Dec'21, however remained significantly below 2020 & 2021 levels

Foreign Institutional Investments (\$ Bn)

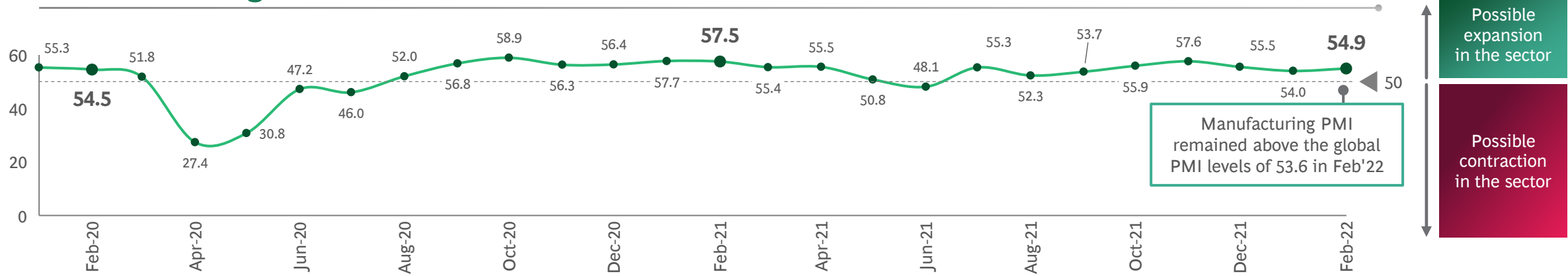


1. Jan'22 figures are provisional
 Source: CMIE, RBI
 Note: Past period data may vary from the previous versions of the Economic Monitor owing to restating of previous years' data by the CMIE/reporting agencies

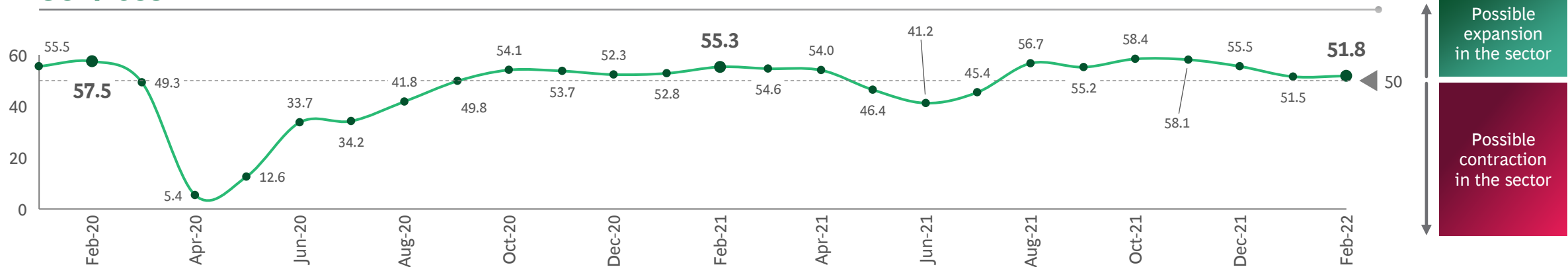


Manufacturing & services PMI improved in Feb'22 vs. Jan'22, remaining above the 50-point mark

Manufacturing PMI



Services PMI



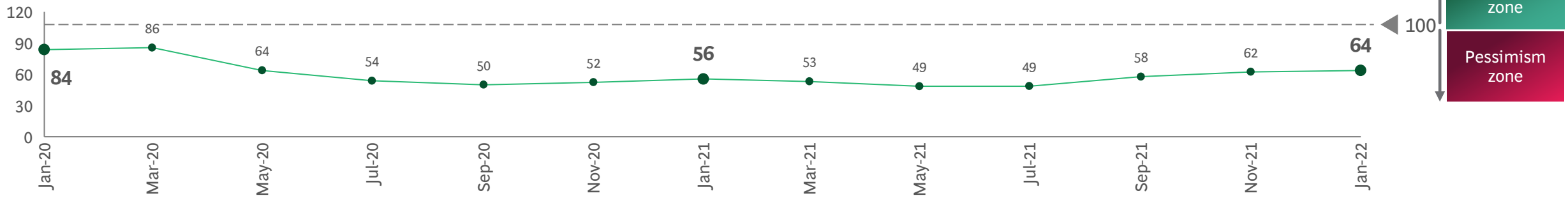
Note: The Purchasing Managers Index (PMI) is a measure of the prevailing direction of economic trends in manufacturing and services sectors. The PMI is based on a monthly survey of supply chain managers across 19 industries, covering both upstream and downstream activity. Value >50 indicates possible expansion in the sector, and value <50 indicates recession.
 Source: IHS Markit, CMIE, Analyst Reports, BCG analysis



Consumer sentiment continued to improve vs. previous months while FEI moderated to a 4-month low in Jan'22

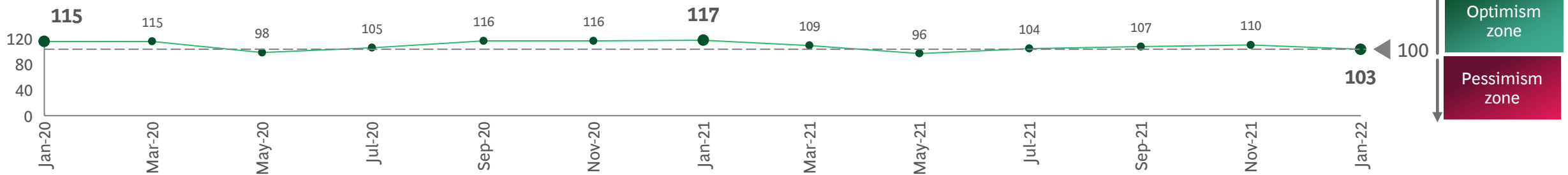
Current Situation Index (CSI)

CSI summarizes the consumers' current perception as compared to a year ago based on general economic situation, employment scenario, price level, households' income and spending, as per RBI Consumer Confidence Survey



Future Expectations Index (FEI)

FEI reflects consumer expectations one year ahead and is calculated based on average net responses on future perceptions on various factors such as economic conditions, income, spending, price level, as per RBI Consumer Confidence Survey



Sample size: 5,310 households across 13 major cities surveyed during 2nd January to 11th January, 2022

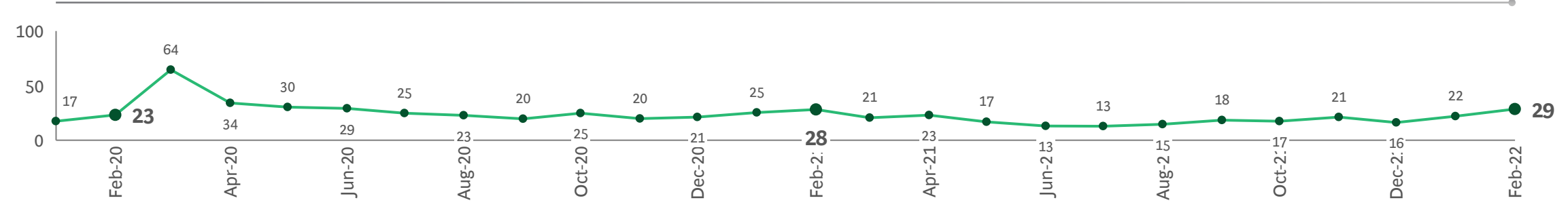
CSI/FEI = 100 + Average of Net Responses of (General Economic Situation, Employment Scenario, Price Level, Household income and Overall Spending). Data are based on web releases made since March 2015. For each survey round, the final figures as available in the latest web release covering the same have been considered.

Source: RBI

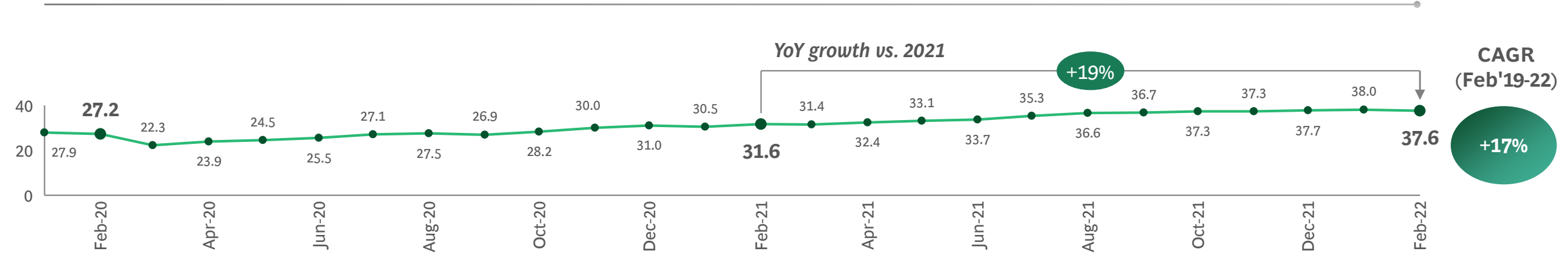


Volatility spiked to a new high in Feb'22 vs. previous months; Mutual fund AUM dipped vs. Jan'22, although remained above Feb'21 levels

India Volatility Index (VIX)¹



Mutual Funds AUM² (INR L Cr)

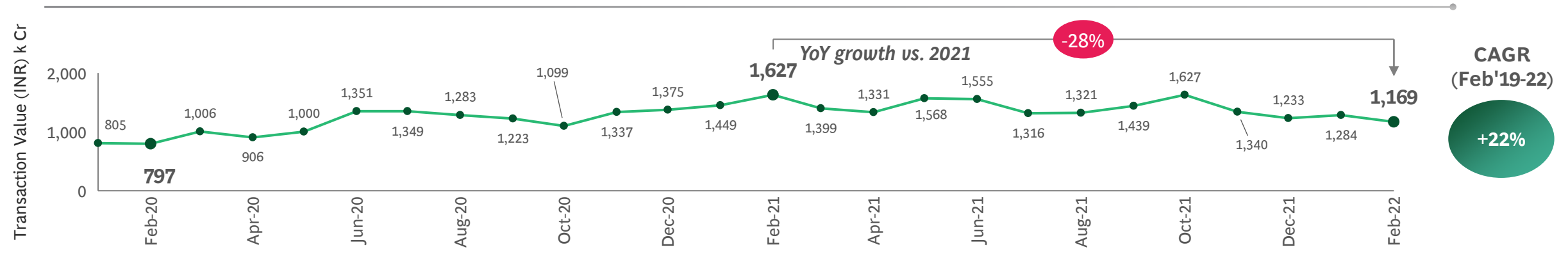


1. Volatility Index is a measure of market's expectation of volatility over the near term; India VIX is a volatility index based on the NIFTY50 Index Option prices providing the expected market volatility over the next 30 calendar days—figures represented are as of end of every month shown
 2. Mutual funds Assets Under Management (AUM) represented as recorded at end of every month shown
 3. Mutual Funds AUM include investments from individuals (50.5%) & institutions (49.5%); institutions include domestic and foreign institutions and banks
 Source: BSE, NSE, AMFI, BCG analysis

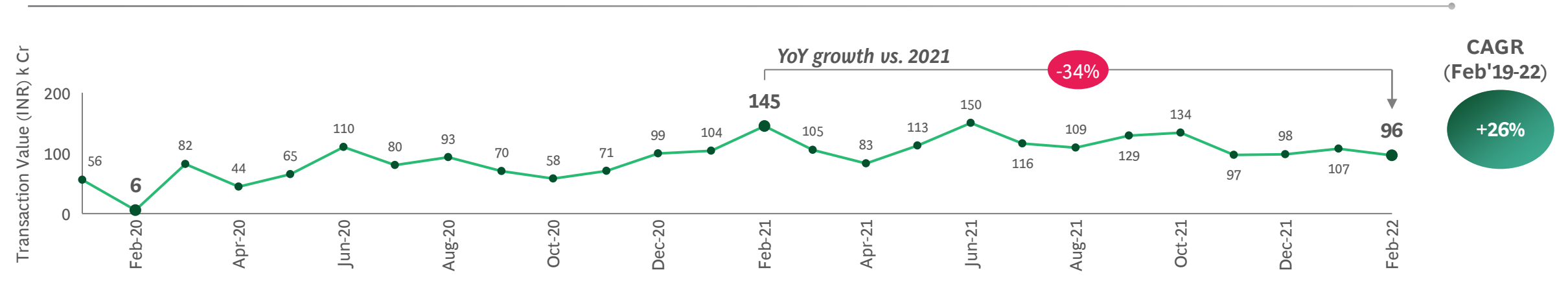


NSE transactions & BSE transactions declined in Feb'22 vs. Jan'22 & Feb'21 levels

NSE Transactions (INR k Cr)



BSE Transactions (INR k Cr)



Source: BSE, NSE, BCG analysis



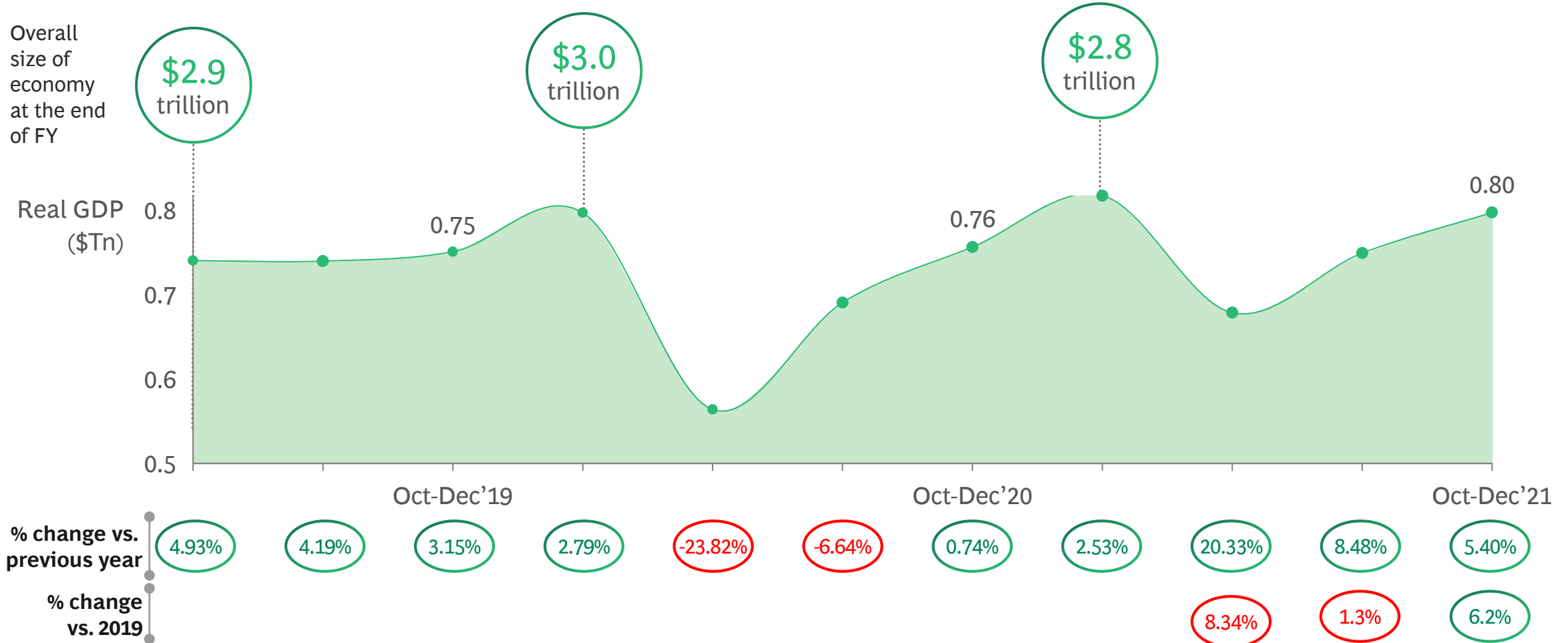
1

Economic Indicators

2

GDP Deep-Dive

Real GDP grew by 5.4% YoY in Oct-Dec'21; Economy surpassed pre-pandemic levels with 6.2% growth vs. Oct-Dec'19



Note: Real GDP at 2011-12 base prices, converted from INR using 2011-12 exchange rates (Rs. 47.95); The numbers would differ from estimates from World Bank, IMF, etc. due to difference in the base year (2011-12 has been used as the base year)
 Source: CMIE, BCG Analysis

Consumption (Pvt. & Govt.), investment & net exports improved in Oct-Dec'21 vs. Oct-Dec'20 & '19 levels

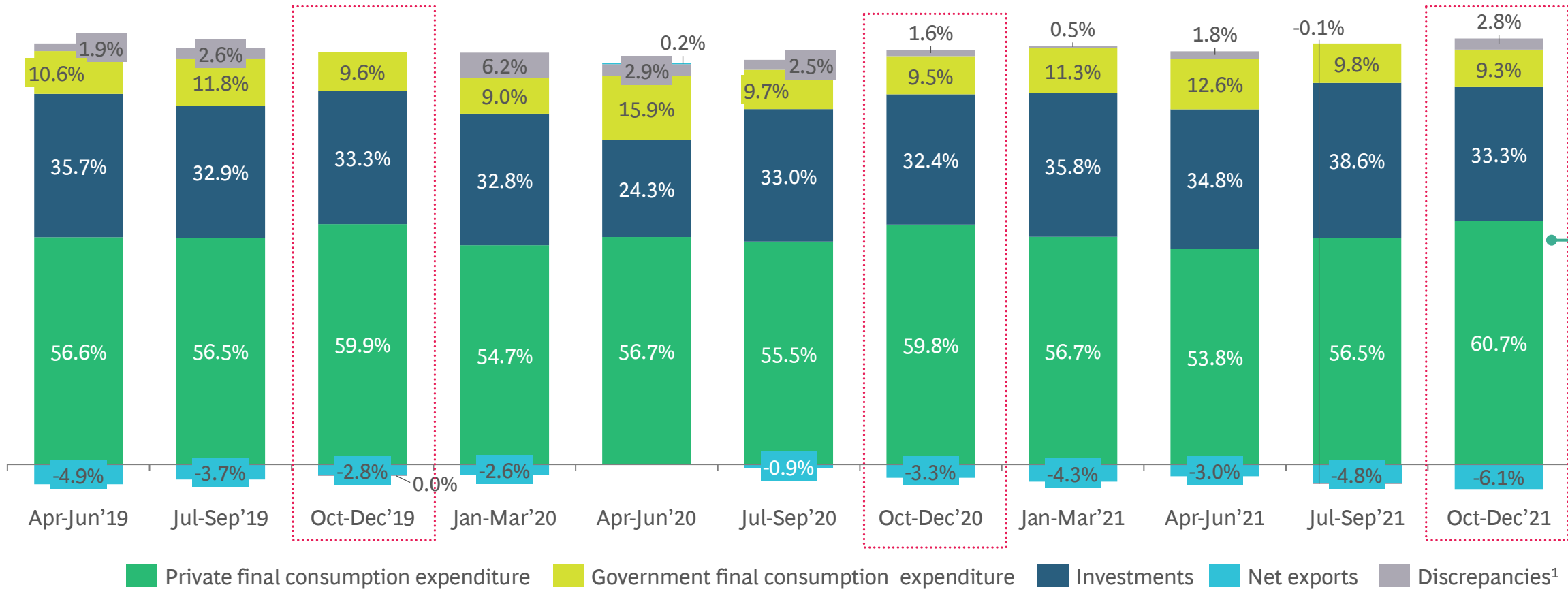
Quarterly growth % change YoY	Y GDP	=	C Pvt. Consumption	+	G Govt. Consumption	+	I Gross Investment	+	X Exports	-	M Imports
Oct-Dec 2020	0.7%		0.6%		-0.3%		-1.9%		-8.6%		-5.2%
Jan-Mar 2021	2.5%		6.5%		29%		11.9%		3.7%		11.7%
Apr-Jun 2021	20.3%		14.2%		-4.4%		72.3%		40.4%		60.7%
Jul-Sep 2021	8.5%		10.3%		9.3%		26.8%		20.5%		40.7%
% change vs. Oct-Dec 2020	5.4%		7%		3.4%		8.3%		20.9%		32.7%
% change vs. Oct-Dec 2021 ¹	6.2%		7.6%		3.1%		6.3%		10.5%		25.8%

Source: MOSPI, BCG Analysis

1. Represents absolute growth rate between Oct-Dec'21 and Oct-Dec'19

Note: Highlighted numbers represent growth (green) or decline (yellow) compared to the previous year quarter (Oct-Dec'21 vs Oct-Dec'20)

Share of investments & Pvt. consumption in GDP rose while that of net exports & Govt. expenditure fell in Oct-Dec'21 vs. Oct-Dec'20



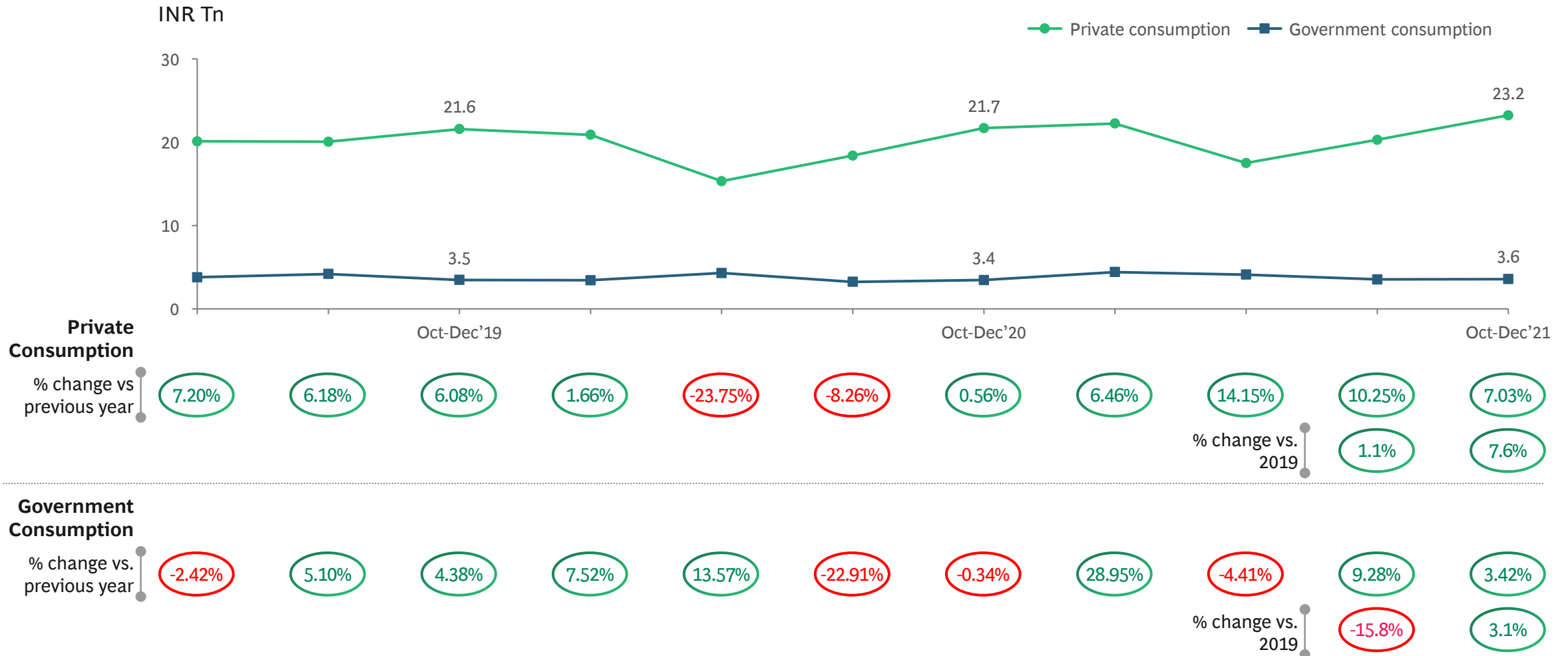
Share of Govt. consumption & net exports in GDP fell while that of Pvt. consumption increased & investments remained unchanged in Oct-Dec'21 vs. Oct-Dec'19

1. Statistical Discrepancy: taking the GDP from the production approach as the control total, gives the measure of the overall difference between the production approach and the expenditure approach followed for estimation.

Note: This composition is basis Real GDP

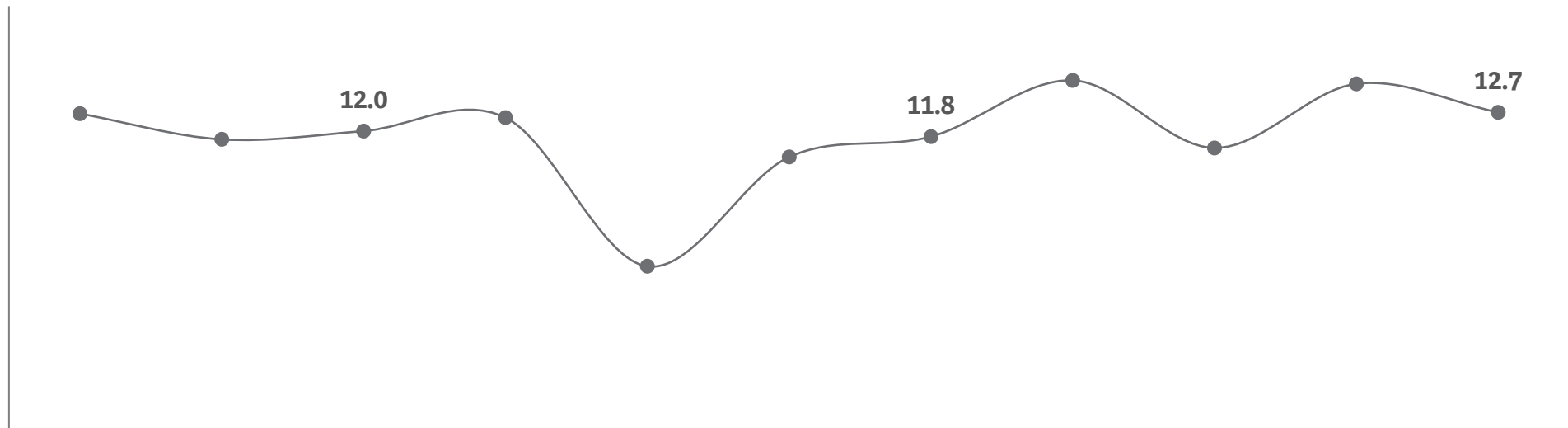
Source: CMIE, BCG Analysis

Pvt. & Govt. consumption grew in Oct-Dec'21 vs. Oct-Dec'20 & '19 levels; Pvt. Consumption growth remained subdued vs. Jul-Sep'21



Gross capital formation improved in Oct-Dec'21 vs. Oct-Dec'20 & Oct-Dec'19, albeit declined vs. Jul-Sep'21

Gross Capital Formation (INR Tn)



Apr-Jun'19 Jul-Sep'19 Oct-Dec'19 Jan-Mar'20 Apr-Jun'20 Jul-Sep'20 Oct-Dec'20 Jan-Mar'21 Apr-Jun'21 Jul-Sep'21 Oct-Dec'21

% change vs. previous year

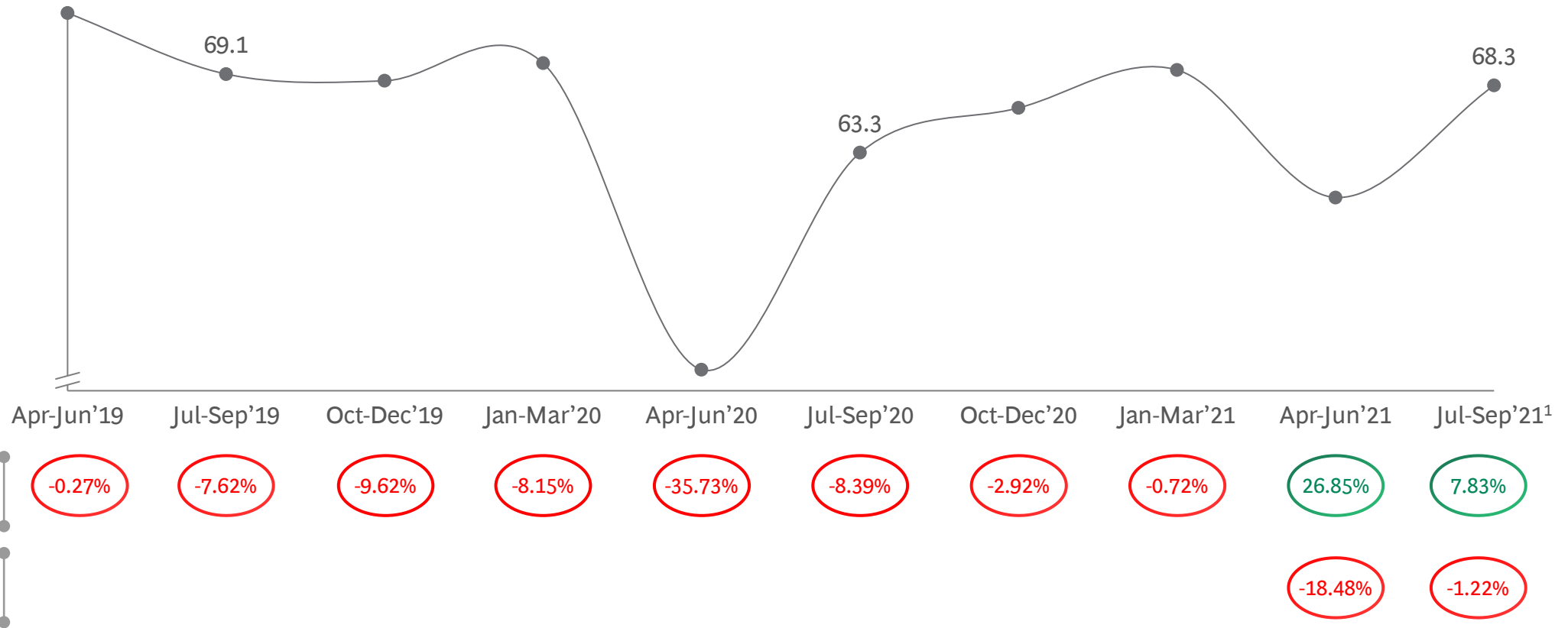


% change vs. 2019



Manufacturing capacity utilization increased during Jul-Sep'21 vs. Jul-Sep'20, however remained below Jul-Sep'19 levels

Capacity Utilization (in %)

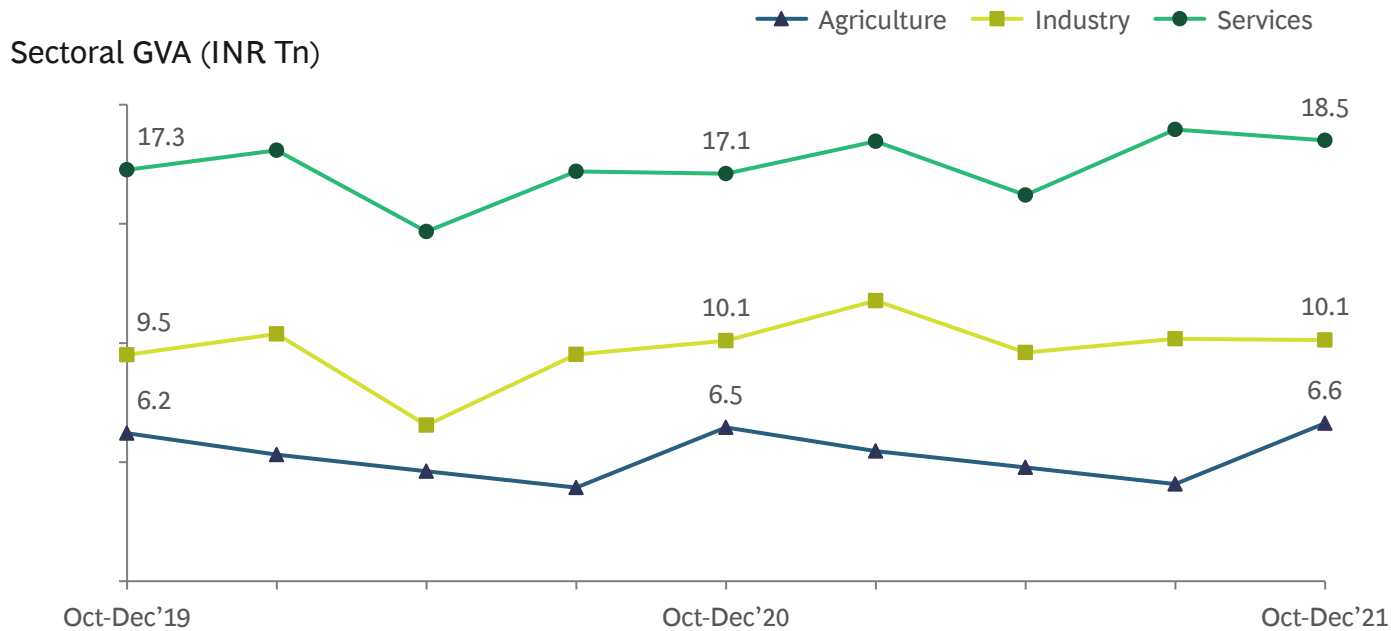


1. Estimation based on 728 reporting companies in Jul-Sep'21 quarter

Note: The OBICUS survey captures information from selected companies in the manufacturing sector on installed capacity vis-a-vis actual production (in quantity and value terms) for different products. The survey responses are those of the respondents. The CU for a quarter is estimated based on all reporting companies in that round after removing any outlier.

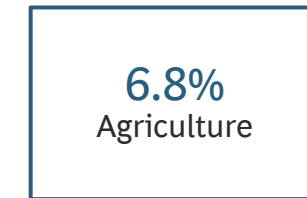
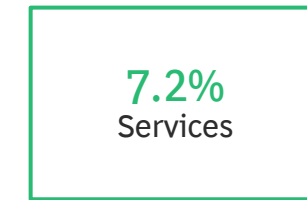
Source: RBI

Agriculture, industry & services witnessed an uptick in Oct-Dec'21 vs. Oct-Dec'19; Industrial growth remained muted vs. Oct-Dec'20

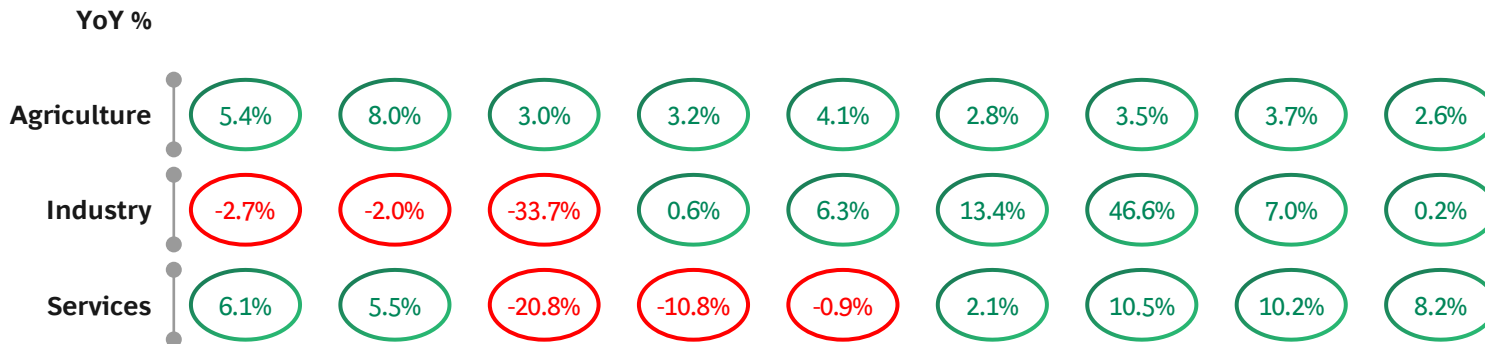
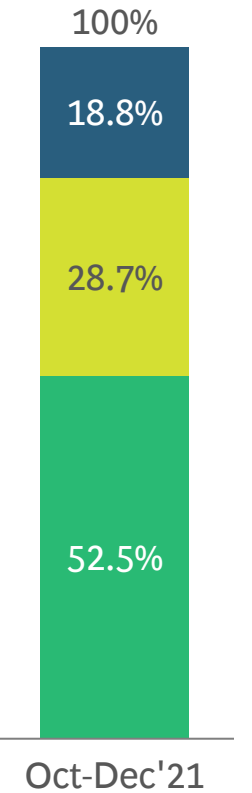


Sub-sectors recovered in Oct-Dec'21 vs. Oct-Dec'19

% change vs. Oct-Dec'19

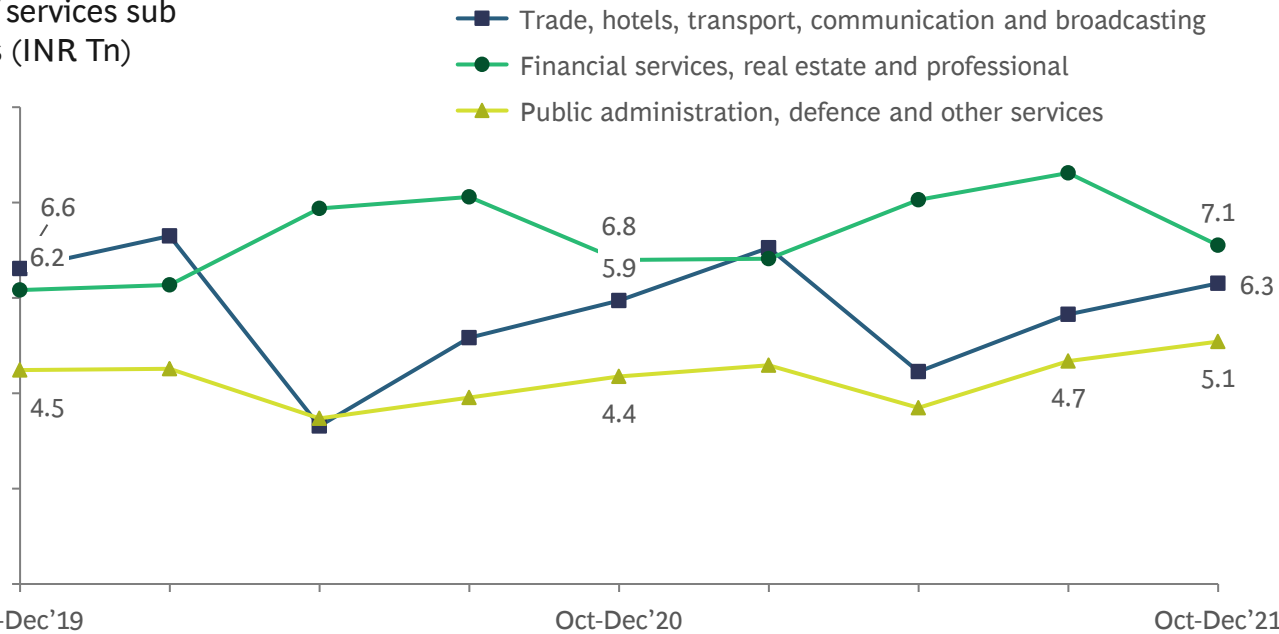


Share in Industry GVA



Services sub-sectors grew in Oct-Dec'21 vs. Oct-Dec'20 & Oct-Dec'19 (except trade services)

GVA of services sub sectors (INR Tn)



Trade & transport contracted in Oct-Dec'21 vs. Oct-Dec'19

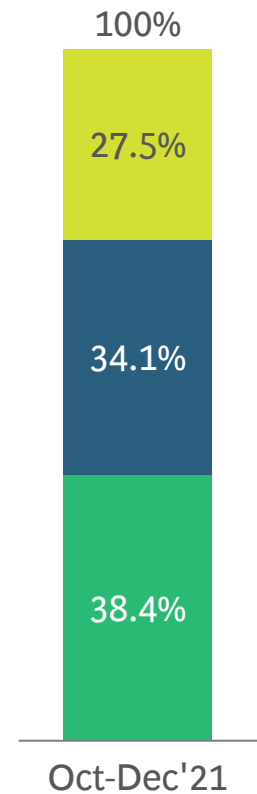
% change vs. Oct-Dec'19

15.3%
Financial services, real estate and professional

13.4%
Public administration, defense and other services

-4.6%
Trade, hotels, transport, communication and broadcasting

Share in Industry GVA



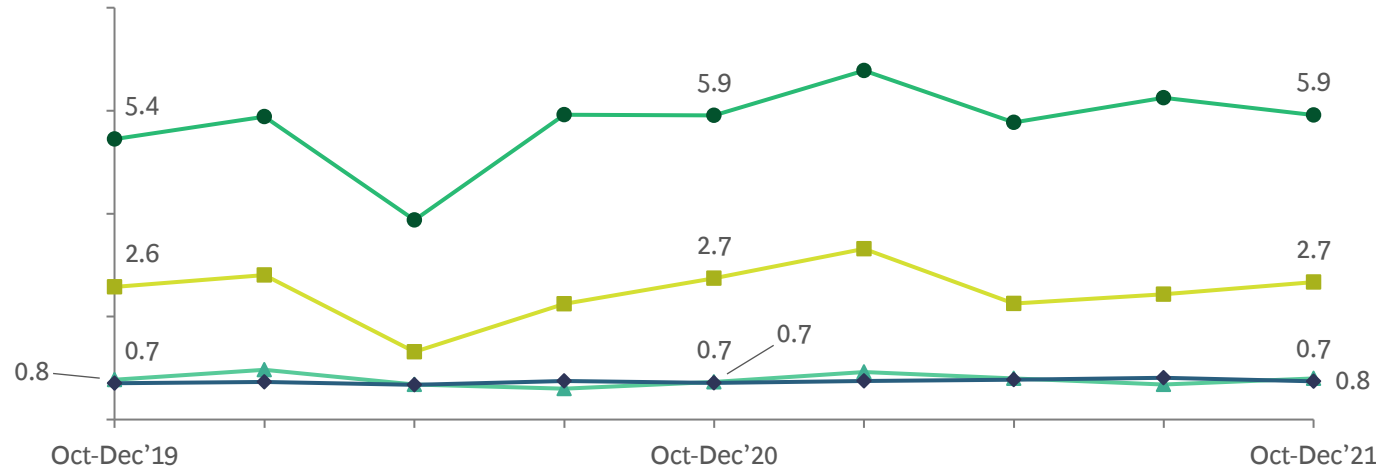
YoY %

	Oct-Dec'19	Oct-Dec'20	Oct-Dec'21
Trade	6.57%	5.09%	-49.94%
Financial Services	5.04%	4.46%	-1.12%
Public Admin	6.86%	7.55%	-11.44%

Select industrial sub-sectors grew in Oct-Dec'21 vs. '20; Manufacturing exhibited strong improvement vs.'19, however, grew marginally vs. '20

GVA of industrial sub-sectors (INR Tn)

▲ Mining and quarrying ◆ Electricity, gas, water supply and other utility services
● Manufacturing ■ Construction



Sub-sector	Oct-Dec'19	Oct-Dec'20	Oct-Dec'21
Mining	-2.39%	-7.92%	8.84%
Manufacturing	-3.38%	8.41%	0.16%
Electricity	-2.98%	1.46%	3.70%
Construction	-1.26%	6.61%	-2.84%

Sub-sectors recovered in Oct-Dec'21 vs. Oct-Dec'19

% change vs. Oct-Dec'19

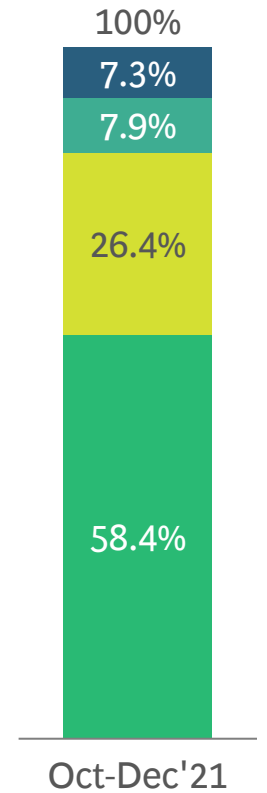
8.6%
Manufacturing

5.2%
Electricity, gas, water supply and other utility services

3.6%
Construction

3.1%
Mining and quarrying

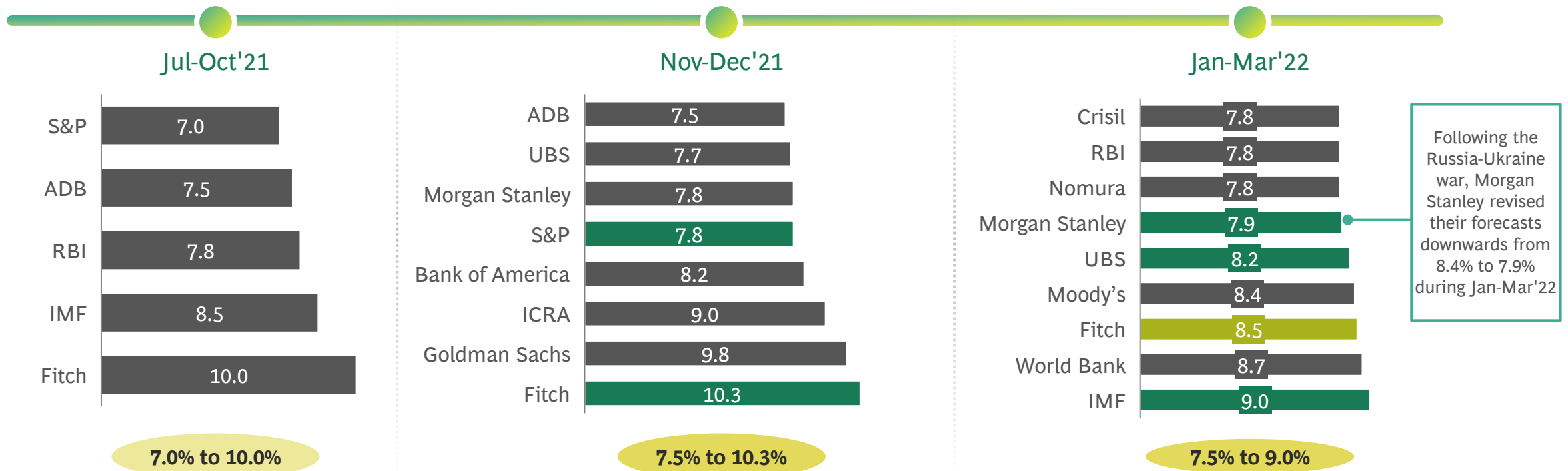
Share in Industry GVA





India's FY23 GDP forecasted to grow between 7.5% to 9.0% YoY; Projections were revised downwards while some remained unchanged during Jan-Mar'22

India GDP growth forecast for FY23 (YoY,%)



Data as of 22nd Mar'22; Estimates likely to be revised further

Note: Upper-limit has been included where agencies reported forecast range
 Source: Analyst reports, BCG analysis

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