



‘Bihar outgrew others in FY18 GDP’

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After five years, State rose to clock 11.3% growth; A.P. registered 11.2%, says report

- Bihar and Andhra Pradesh led the pack among States in terms of GDP growth in financial year 2017-18, clocking 11.3% and 11.2% growth, respectively, compared with the national GDP growth of 6.7% for the year, according to a report by Crisil.
- According to the report, 12 of the 17 general category States grew faster than the national growth rate.
- However, it noted that this growth was not equitable, with the gap between the per capita incomes in low-income and high-income States widening over the last five years.
- The analysis found that between the financial years 2012-13 and 2016-17, Gujarat, Madhya Pradesh and Karnataka were the fastest growing states, on average.
- While all three managed to maintain their GSDP growth higher than the all-India GDP growth in 2018, only Gujarat remained in the top three.
- On the fiscal front, the report noted that most veered off the Fiscal Responsibility and Budget Management Act (FRBM) line of maintaining their fiscal deficits at 3% of their respective state GDPs.

Capex in State spending

- Rajasthan, Jharkhand and Uttar Pradesh topped the tally in proportion of capex in state spending in the past three years.
- But most states are not spending as they ought to, in areas such as health, irrigation, and education.

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