

Delhi/NCR)

**KEY METRICS SIGNAL A GOOD SHOW**

# Economy on Strong Wicket After Fiscal First Quarter

Manufacturing PMI delivers a bouncer, GST scores big, auto sales provide a solid start

**Our Bureau**

**New Delhi:** India's economy ended the first quarter on a strong note with manufacturing sector activity rebounding in June after two months of deceleration while goods and services tax (GST) collections came in strong.

Passenger car sales rose further in the month from last year's high base. However, the intense heatwave may have adversely impacted some sectors in the quarter.

GST collections rose 8% in June to ₹1.74 lakh crore from ₹1.61 lakh crore a year earlier, people aware of the numbers told ET.

As per industry estimates, 340,784 cars, sedans and utility vehicles were sold last month compared with 328,710 units in the same month the preceding year. A little over half of these volumes, 53%, came from the sale of sports utility vehicles (SUVs).

The HSBC India Manufacturing Purchasing Managers' Index (PMI) climbed to 58.3 from 57.5 in May led by buoyancy in demand and expansion in new orders that pushed up the hiring rate to its highest in more than 19 years, a private survey showed Monday. A reading above 50 denotes expansion and anything below signifies contraction.

"The Indian manufacturing sector ended the June quarter on a stronger footing," said Maitreyi Das, global economist, HSBC.

Stock markets hit another high with Sensex closing at another all-time-high on Monday.

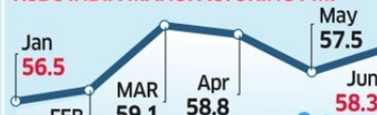
"The gross collection for the current fiscal year (April-June) stood at ₹5.57 lakh crore," an official told ET.

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**Going Strong**

**HSBC INDIA MANUFACTURING PMI**



**Job creation**  
pace at  
19-year high

**GST collections**  
rise 8% to  
₹1.74 lakh cr



Auto sales  
at **340,784**  
compared  
with **328,710**  
units in June  
last year

Normal monsoon  
could revive  
demand further

Exports expected  
to do better  
as western  
economies  
recover



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# Jump in New Export Orders

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UPI transactions dipped to 13.9 million in June from 14 million in May.

Petrol sales rose 3.6% year-on-year in June but diesel consumption dropped 1.3%, according to state-run oil companies. Aviation fuel sales increased 4.3%.

“Momentum in manufacturing activity picked up in June after decelerating in the previous two months. The employment PMI, reflecting sentiment towards hiring, hit a series high, supported by new orders,” said Shreya Sodhani, regional economist, Barclays.

The Indian economy grew by a better-than-expected 8.2% in FY24. The RBI expects a 7.2% rise in GDP in FY25. June quarter GDP numbers will be released at the end of August. “While the PMI number is good, some transient factors may dampen volume indicators in May-June, particularly in sectors affected by the heatwave and dependent on government capex,” said Aditi Nayar, chief economist, ICRA. New export orders increased substantially again in June with companies attributing higher inflows of new work from overseas to better demand from Asia, Australia, Brazil, Canada, Europe and the US, the PMI data showed.