

## Gross Domestic Product

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Unexpected 7.8% surge in GDP in Q1  
FY2026; looming hit from US tariffs  
to compress growth in later quarters

AUGUST 2025





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*YoY GDP growth accelerated to 7.8% in Q1 FY2026 from 7.4% in Q4 FY2025, dousing expectations of an additional rate cut by the MPC.*

*Services GVA rose by a strong 9.3% YoY in Q1 FY2026, while growth in industry (barring manufacturing) and agriculture eased from Q4 FY2025.*

*Amid continuing uncertainty from US tariffs and its direct and indirect ramifications, ICRA maintains its FY2026 GDP growth forecast at 6.0%.*

India's year-on-year (YoY) GDP growth swung to a 5-quarter high of 7.8% in Q1 FY2026 (+7.4% in Q4 FY2025), contrary to the expectations of a sequential slowdown as signaled by high frequency data. The Government final consumption expenditure (GFCE) and private final consumption expenditure (PFCE) contributed to the boost in GDP expansion in Q1 FY2026 vs. Q4 FY2025. On the GVA side, the 7.6% growth in Q1 FY2026 stemmed from stronger-than-expected prints for services (at +9.3%), and manufacturing (at +7.7%), even as agriculture and mining undershot our forecasts. While the outlook for private consumption has been brightened by upcoming GST rationalisation and transmission of rate cuts, uncertainty lingers from the impact of US tariffs on exports, private capex and potential job losses in export-oriented sectors. Consequently, ICRA maintains its FY2026 GDP growth forecast at 6.0%.

- **GDP accelerated by 7.8% YoY in Q1 FY2026:** India's YoY GDP expansion unexpectedly improved to a five-quarter high 7.8% in Q1 FY2026 from 7.4% in Q4 FY2025. This was boosted by a sharp turnaround in GFCE to a YoY growth (to +7.4% from -1.8%) and an uptick in PFCE growth (to +7.0% from +6.0%) in Q1 FY2026 vs. Q4 FY2025.
- **Growth in manufacturing, financial, real estate and professional services (FRP) surpassed forecast in Q1 FY2026:** Compared to 6.8% in Q4 FY2025, the acceleration in GVA stemmed from the services sector (to +9.3% from +7.3%, led by all sub-sectors), amid a moderation in the GVA growth of both industry (to +6.3% from +6.5%) and agriculture (to +3.7% from +5.4%). However, within industry, manufacturing stood out as the only sub-sector that witnessed an uptick in growth (to +7.7% from +4.8%), which exceeded ICRA's estimate. On the services side, the FRP segment grew by a higher-than-expected 9.5% in Q1 FY2026 (up from +7.8% in Q4 FY2025).
- **FY2026 GDP growth forecast retained at 6.0%:** The outlook for private consumption is bolstered by developments like income tax relief, rate cuts, healthy progress of kharif sowing, and upcoming rationalisation of GST slabs, even as discretionary spends by households could be deferred in Q2, until the tax cuts are implemented. Besides, potential job losses in export-oriented sectors could sour sentiments for some households. After the unexpectedly strong Q1 FY2026, a lower YoY momentum of Government capex and the looming hit to exports from the US tariffs, would dampen growth prints in the coming quarters, notwithstanding the balm offered by GST rationalisation. Amid continuing uncertainty, ICRA maintains the baseline GDP growth forecast at 6.0% for FY2026.

# Agenda

## 1 Quarterly Analysis: Production Approach



## 2 Quarterly Analysis: Expenditure Approach



## 3 Outlook

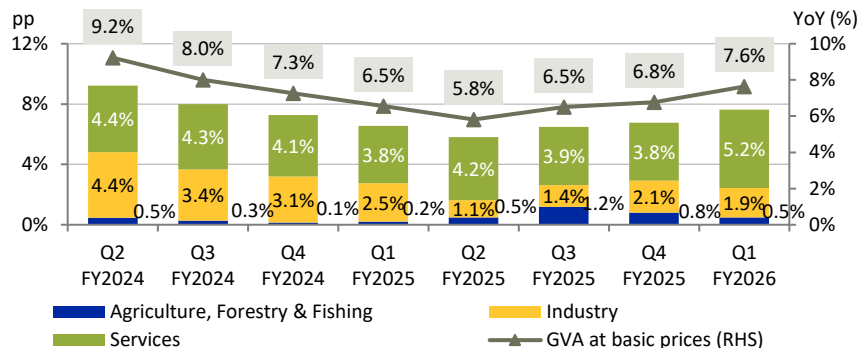


## 4 Annexure



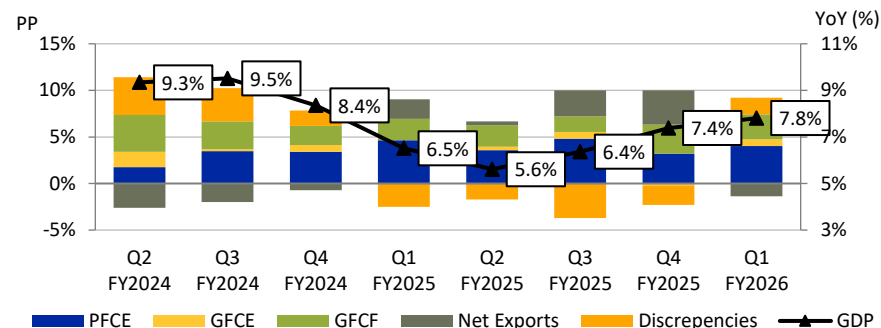
# GDP growth improved to 7.8% in Q1 FY2026 from 7.4% in Q4 FY2025

EXHIBIT: Contribution of GVA components



Source: NSO; CEIC; ICRA Research

EXHIBIT: Contribution of GDP components

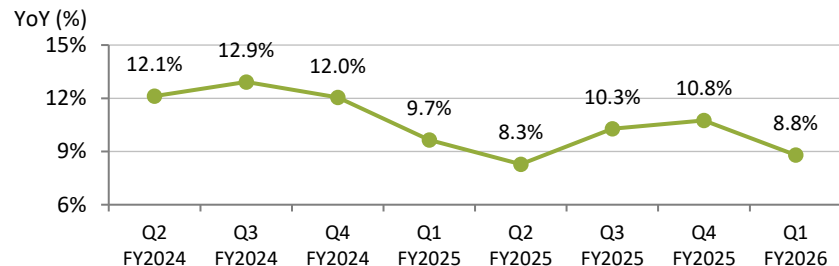


PFCE: Private Final Consumption Expenditure; GFCE: Government Final Consumption Expenditure; GFCF: Gross Fixed Capital Formation; Source: NSO; CEIC; ICRA Research

- The YoY growth in GVA at basic prices unexpectedly rose to a six-quarter high of 7.6% in Q1 FY2026 from 6.8% in Q4 FY2025, belying expectations of a sequential slowdown (ICRA exp: +6.4%) based on the available high frequency indicators. This was led by a higher-than-expected acceleration in manufacturing (to +7.7% in Q1 FY2026 from +4.8% in Q4 FY2025) and services (to +9.3% from +7.3%) sectors, even as agriculture, forestry and fishing (to +3.7% from +5.4%) witnessed a larger-than-anticipated moderation. In terms of contribution, services accounted for a sizeable 5.2 percentage points (pp) of the 7.6% GVA growth in Q1 FY2026, followed by 1.9 pp and 0.5 pp from industry and agriculture, respectively.
- The YoY GDP expansion was pegged at a five-quarter high of 7.8% in Q1 FY2026 (+7.4% in Q4 FY2025). The sharp turnaround in GFCE to a YoY growth (to +7.4% from -1.8%) and an acceleration in PFCE (to +7.0% from +6.0%) pushed up the GDP growth in Q1 FY2026, as compared to Q4 FY2025. In contrast, there was a moderation in the GFCF growth (to +7.8% from +9.4%) and a drag from net exports (-5.0% of GDP vs. +3.7% of GDP) in Q1 FY2026, as against Q4 FY2025. PFCE (4.0 pp) and GFCF (2.7 pp) were the key contributors to the 7.8% GDP growth in Q1 FY2026. Besides, the discrepancy figure also witnessed a turnaround in Q1 FY2026 vis-à-vis Q4 FY2025, adding 1.8 pp to the headline growth print in the quarter, as against the drag of 2.1 pp in the previous quarter.

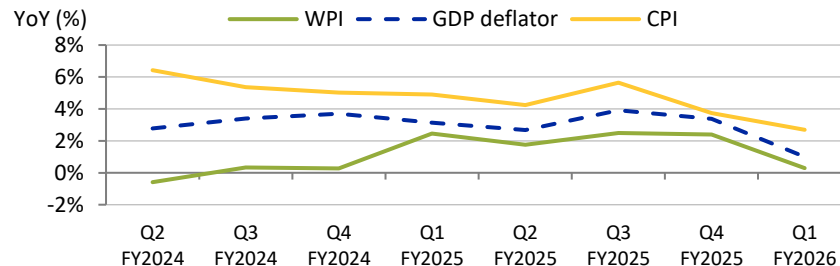
# Unlike the trend in real GDP, YoY expansion in nominal GDP moderated to 8.8% in Q1 FY2026

**EXHIBIT: Unlike the trend seen in real GDP, expansion in nominal GDP slowed to a 3-quarter low of 8.8% in Q1 FY2026 from 10.8% in Q4 FY2025**



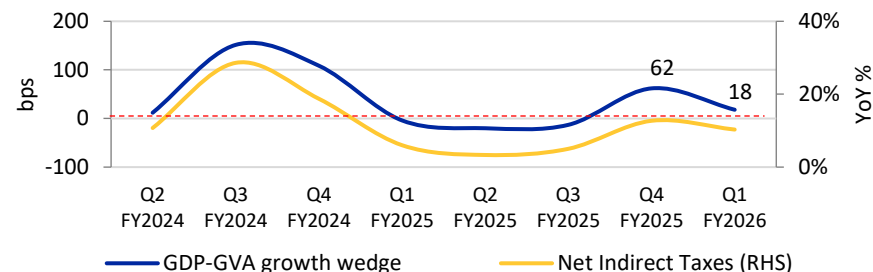
Source: NSO; CEIC; ICRA Research

**EXHIBIT: The growth in GDP deflator dipped to a 23-quarter low of 1.0% in Q1 FY2026 from 3.4% in Q4 FY2025, echoing the moderation in the CPI (to +2.7% from +3.7%) and WPI inflation (to +0.3% from +2.4%)**



Source: NSO; CEIC; ICRA Research

**EXHIBIT: The wedge between the GDP and GVA growth expectedly eased to +18 bps in Q1 FY2026 from +62 bps in Q4 FY2025**



Net indirect taxes = taxes – subsidies; Source: CGA; CEIC; ICRA Research

- The wedge between the GDP and GVA growth remained in positive territory for the second straight quarter, although the size of the same declined sharply to 18 bps in Q1 FY2026 from 62 bps in Q4 FY2025, reflecting the slowdown in net indirect tax growth (to +10.3% from +12.7%).
- In nominal terms, the growth in net indirect taxes on products dipped quite sharply (+9.5% in Q1 FY2026 vs. +22.7% in Q4 FY2025) between these quarters. This was aided by the narrowing in the contraction in Centre's subsidy outgo (-7.3% in Q1 FY2026 vs. -40.7% in Q4 FY2025), even as indirect taxes (to +11.3% from -3.1%) turned around to record a YoY growth.





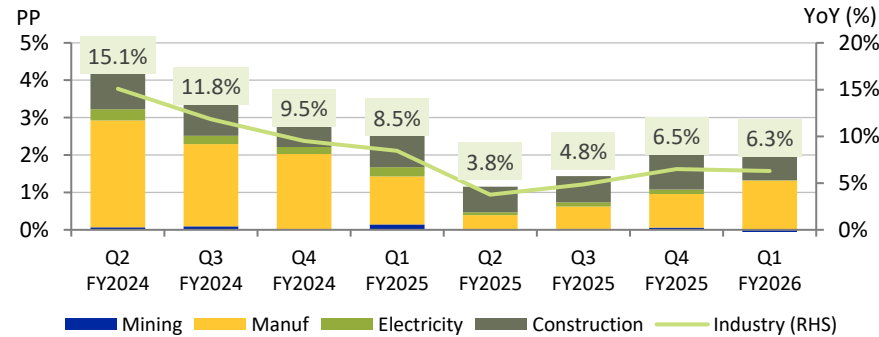
## Quarterly Analysis: Production Approach

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*GVA growth surged in Q1 FY2026, relative to Q4 FY2025 boosted by sharper-than-expected improvement in manufacturing and services segments*

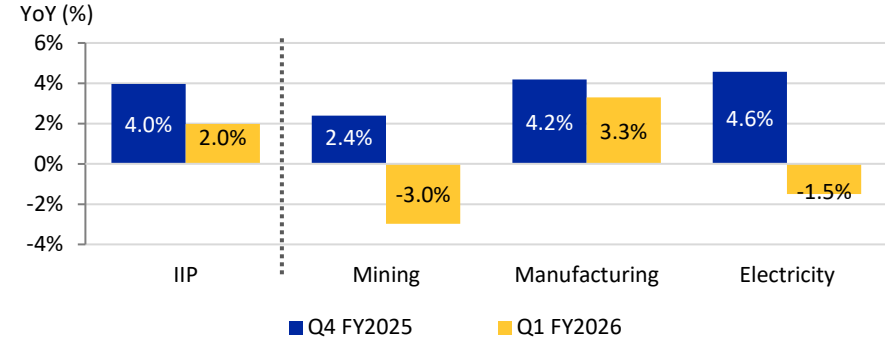
# Industrial GVA growth eased marginally to 6.3% in Q1 FY2026, led by mining and electricity; manufacturing segment outperformed expectations

**EXHIBIT: Contribution of components to Industrial GVA growth**



Mining: Mining & Quarrying; Manuf: Manufacturing; Electricity: Electricity, gas, water supply & other utility services; Source: NSO; CEIC; ICRA Research

**EXHIBIT: YoY performance of the IIP and its components**

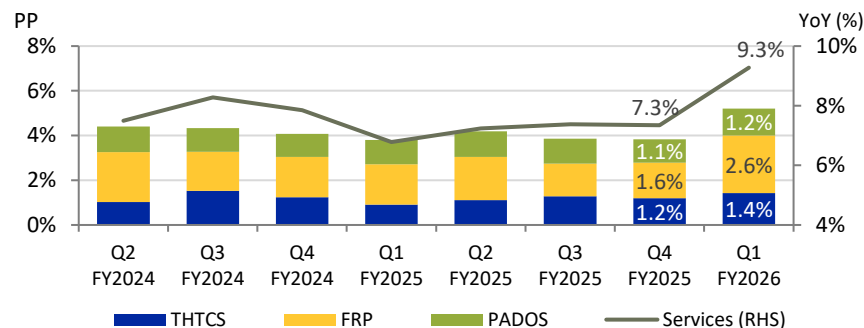


Source: NSO; CEIC; ICRA Research

- The industrial GVA growth eased to slightly 6.3% in Q1 FY2026 (+8.5% in Q1 FY2025) from 6.5% in Q4 FY2025 (+9.5% in Q4 FY2024). Notably, the sequential slowdown was much narrower than the sharp deterioration in the industrial volume growth to an 11-quarter low of 2.0% in Q1 FY2026 from 4.0% in Q4 FY2025 (as per the IIP data).
- The unseasonal rainfall seen during Q1, combined with an elevated base, dampened the YoY performance of the mining and quarrying (to an 11-quarter low -3.1% in Q1 FY2026 from +2.5% in Q4 FY2025, in line with the decline in volumes as per IIP data) as well as electricity (to a 19-quarter low +0.5% from +5.4%) segments. Additionally, the YoY growth in the construction GVA slowed to 7.6% from 10.8% between these quarters, while surpassing ICRA's estimate (ICRA P: +6.5% to +7.0%).
- However, this was partly offset by the higher-than-anticipated growth in the manufacturing GVA (to a five-quarter high +7.7% from +4.8%), which stood in contrast to the moderation in volumes (to +3.3% from +4.2%; as per the IIP data).

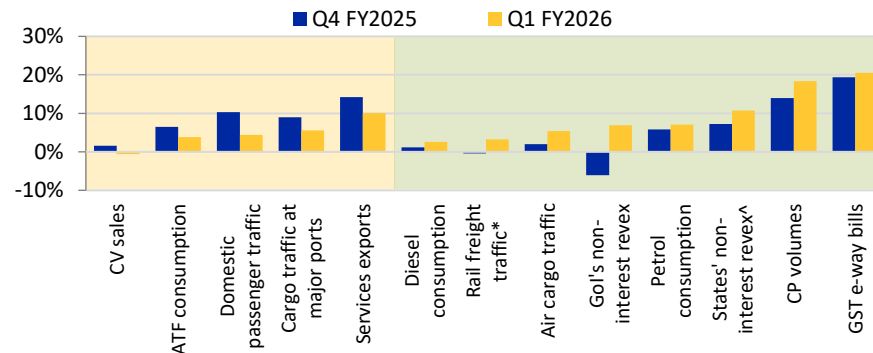
# Services GVA growth rose to a higher-than-expected 9.3% in Q1 FY2026 from 7.3% in Q4 FY2025, amid broad-based improvement across all segments

EXHIBIT: Contribution of components of Services



THTCS: Trade, hotels, transport, communication & services related to broadcasting; FRP: Financial, real estate & professional services; PADOS: Public administration, defence & other service; Source: NSO; CEIC; ICRA Research

EXHIBIT: YoY performance of service sector indicators



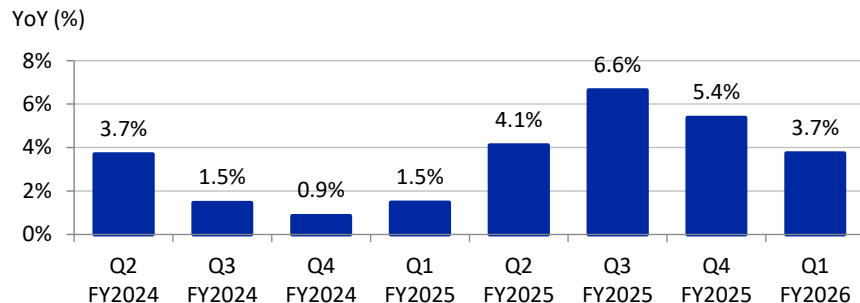
\*Data for Q1 FY2026 is for April-May 2025; ^Data for 24 states excluding Arunachal Pradesh, Bihar, Manipur, and Goa; Source: CMIE; RBI; GSTN; Indian Railways; IPA; PPAC; DGCA; CEIC; ICRA Research

- The YoY expansion in services GVA improved to an eight-quarter high of 9.3% in Q1 FY2026 from 7.3% in Q4 FY2025, amidst a broad-based uptick across all the segments. The YoY growth for PADOS (to a 12-quarter high of +9.8% from +8.7%), THTCS (to an eight-quarter high +8.6% from +6.0%), and FRP (to an eight-quarter high +9.5% from +7.8%; exceeded forecast; in contrast to the trends in high frequency data) rose in Q1 FY2026, relative to Q4 FY2025.
  - **FRP:** The YoY growth in non-food bank credit (to +9.3% at end-June 2025 from +11.0% at end-March 2025) and bank deposits (to +10.1% from +10.3%) deteriorated in Q1 FY2026 vs. Q4 FY2025. Moreover, home sales in top seven cities continued to contract in Q1 FY2026, albeit by a narrower 4.6% (-13.7% in Q4 FY2025).
  - **THTCS:** Several indicators pertaining to hotels and mobility improved in Q1 FY2026, vis-à-vis the prior quarter, including rail freight traffic, air cargo traffic, petrol and diesel consumption. However, the YoY performance of services exports and cargo traffic at major ports saw a weaker performance between these quarters.
  - **PADOS:** The combined non-interest revenue expenditure of 24 state governments^ reported a double-digit YoY expansion of 10.7% in Q1 FY2026, up from 7.2% in Q4 FY2025. Likewise, the Gol's non-interest revenue expenditure posted a YoY growth of 6.9%, as against a contraction of 6.1% in the previous quarter.



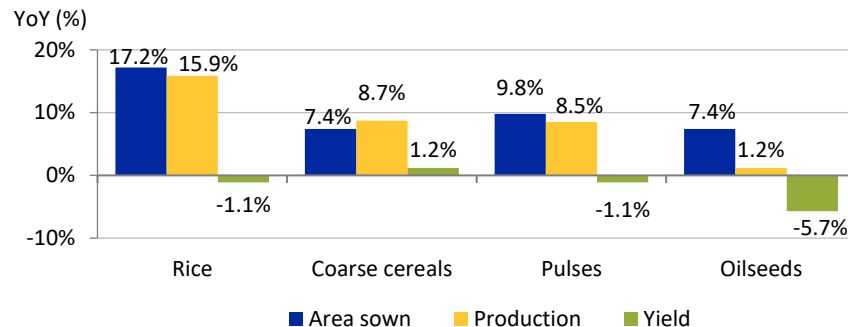
# Agri GVA growth eased to 3.7% in Q1 FY2026, the lowest print in four quarters

**EXHIBIT: Growth in Agriculture, Forestry and Fishing (at constant 2011-12 prices)**



Source: NSO; CEIC; ICRA Research

**EXHIBIT: YoY growth in the area sown, yields and output of summer crops in AY2024-25 as per 3rd AE vs. Final Estimate for AY2023-24**



AY: Agricultural Year; Source: Ministry of Agriculture and Farmers' Welfare, GoI; CEIC; ICRA Research

- The YoY growth in GVA of agriculture, forestry and fishing slowed to a four-quarter low of 3.7% in Q1 FY2026 from 5.4% in Q4 FY2025, and printed lower than ICRA's expectations (+4.5%).
- As per the third advance estimates for AY2024-25, the output of all major summer crops such as rice (+15.9%), coarse cereals (+8.7%), pulses (+8.5%), and oilseeds (+1.2%) is estimated to rise on a YoY basis, led by a surge in the area sown, even as the yields of most crops are expected to decline.

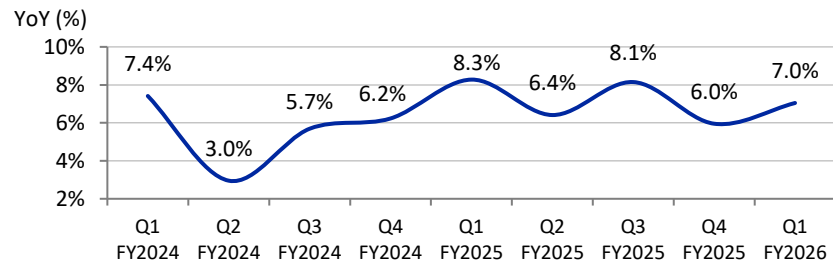


## Quarterly Analysis: Expenditure Approach

*GFCE and PFCE expansion supported higher GDP growth in Q1 FY2026 vs. Q4 FY2025, even as net exports exerted a drag on GDP, and GFCF growth moderated*

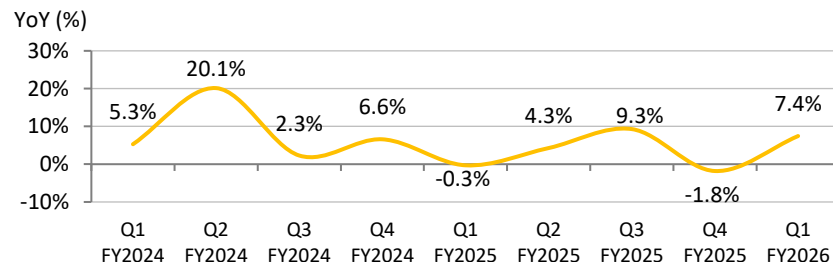
# Higher YoY expansion in PFCE and turnaround in GFCE in Q1 FY2026 vs. Q4 FY2025, supported GDP growth in the quarter

**EXHIBIT: PFCE growth picked up to 7.0% YoY in Q1 FY2026 from 6.0% in Q4 FY2025, while remaining in line with 7.2% in FY2025, likely supported by rural demand even as urban demand remained uneven**



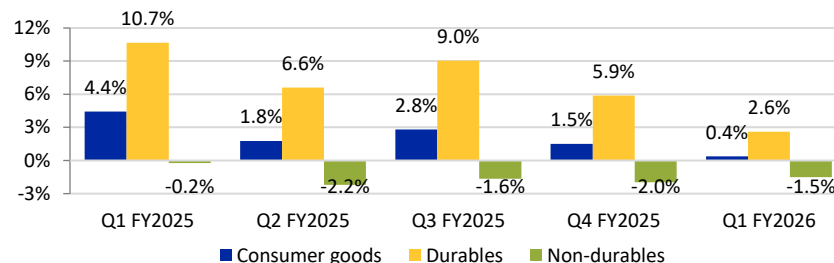
Source: NSO; CEIC; ICRA Research

**EXHIBIT: GFCE increased by a sharp 7.4% YoY in Q1 FY2026 (-0.3% in Q1 FY2025) following a contraction of 1.8% in Q4 FY2025 (+6.6% in Q4 FY2024), reflecting the trends in the Government revenue spending**



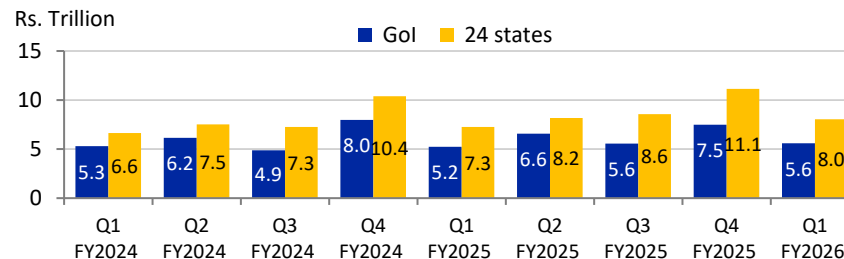
Source: NSO; CEIC; ICRA Research

**EXHIBIT: Consumer goods' output (as measured by the IIP) grew by a meagre 0.4% YoY in Q1 FY2026 (dragged down by non-durable segment), lower than the growth seen in both Q4 and Q1 FY2025**



Source: NSO; CEIC; ICRA Research

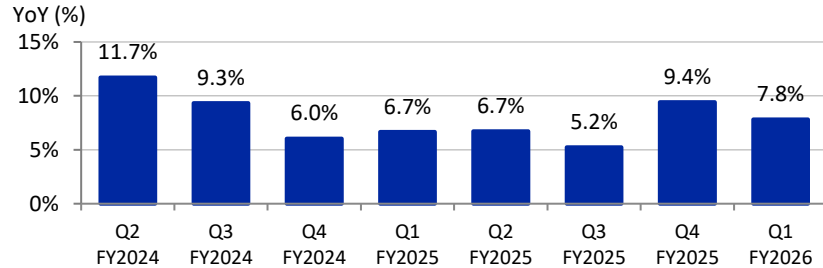
**EXHIBIT: The healthy YoY growth in non-interest revex of the GoI (+10.7% vs. +7.2% in Q4 FY2025) and 24 state governments (+6.9% vs. -6.1%) in Q1 FY2026 supported the GFCE growth in the quarter**



\*24 states excluding Arunachal Pradesh, Bihar, Manipur, and Goa; Source: CGA; CAG; CEIC; ICRA Research

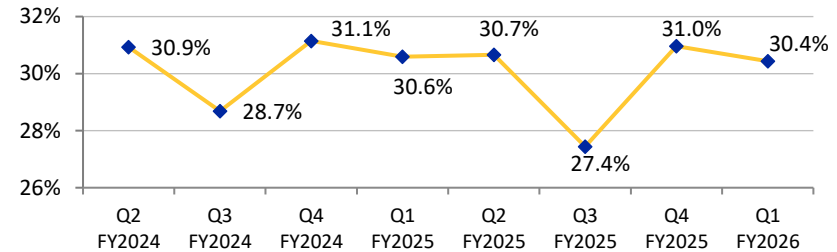
# Investment activity held up in Q1 FY2026 supported by Government capex, even as private capex likely remained sluggish amid global uncertainty

**EXHIBIT: The YoY growth in GFCF moderated sharply to 7.8% in Q1 FY2026 from 9.4% in Q4 FY2025, while remaining healthy**



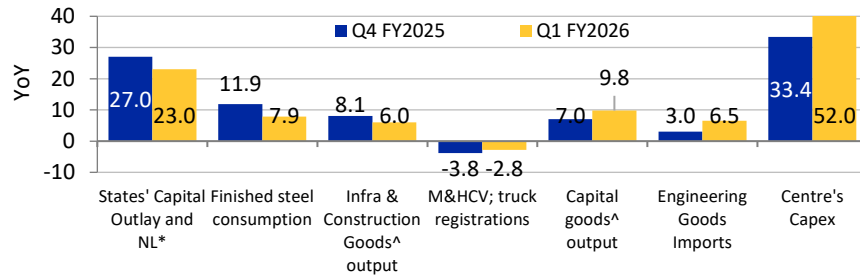
Source: NSO; CEIC; ICRA Research

**EXHIBIT: However, the investment rate\* dipped to 30.4% in Q1 FY2026 from 31.0% in Q4, printing a shade lower than 30.8% in Q1 FY2022-2025 (average)**



\*GFCF as % of nominal GDP; Source: NSO; CEIC; ICRA Research

**EXHIBIT: The surge in Centre's capex supported investment activity in Q1 FY2026, even as private capex activity likely remained muted**

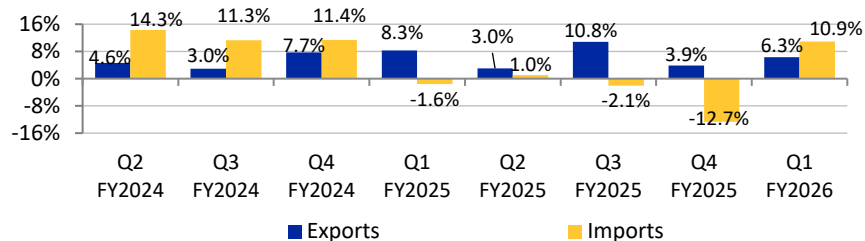


Source: CGA; CAG; JPC; NSO, CEIC; CMIE; Vahan portal; ICRA Research

- Trends were quite mixed across construction-related indicators, including modest deceleration in infrastructure/construction goods' output (to +6.0% from +8.1%) and finished steel consumption (to +7.9% from +11.9%), and narrower contraction in M&HCV registrations-truck segment (to -2.8% from -3.8%) in Q1 FY2026 vs. Q4 FY2025.
- Encouragingly, the output of capital goods, engineering goods' imports and Centre's capital expenditure improved on a YoY basis in Q1 FY2026, as against Q4 FY2025.
- While the growth in states' capital outlay and net lending slowed to 23% in Q1 FY2026 (+27% in Q4 FY2025), it remained at healthy levels.

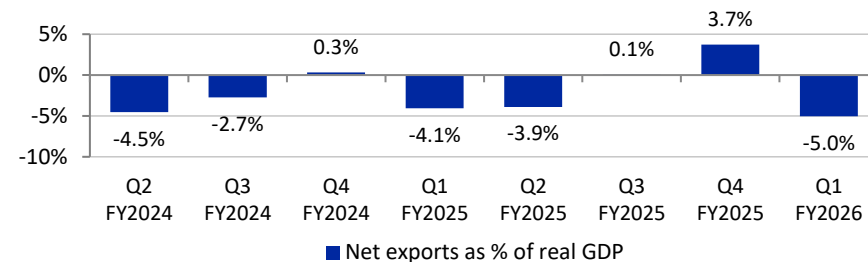
# Net exports dragged down the GDP growth by as much as 5 pp in Q1 FY2026

**EXHIBIT: A higher YoY uptick in import growth vis-à-vis exports in Q1 FY2026 relative to Q4 FY2025 (in real terms), led to a trade deficit as compared to a surplus in the previous quarter**



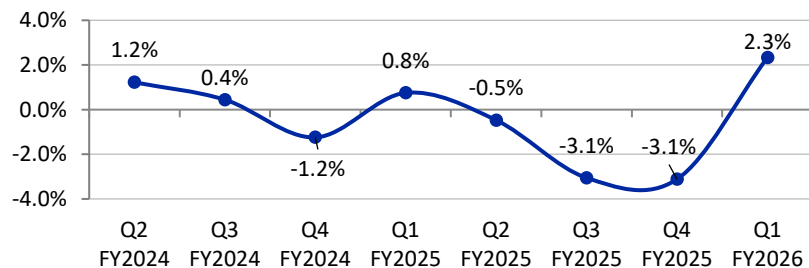
Source: NSO; CEIC; ICRA Research

**EXHIBIT: Consequently, net exports exerted a drag (-5.0% of GDP) on overall GDP growth in Q1 FY2026, as against the support seen in Q4 FY2025 (+3.7%)**



Source: NSO; CEIC; ICRA Research

**EXHIBIT: Discrepancies stood at (+) 2.3% of GDP higher than (+) 0.8% in Q1 FY2025, suggesting that the Q1 FY2026 data may undergo material revisions**



Discrepancies refer to the residual that remains after disaggregating GDP into its expenditure components, such as PFCE, GFCE, GFCF and net exports; Source: NSO; CEIC; ICRA Research

- In nominal terms, export growth saw a slight uptick to 8.1% in Q1 FY2026 from 8.0% in Q4 FY2025, in line with the trend seen in merchandise exports (to +1.7% in Q1 FY2026 from -4.4% in Q4 FY2025; as per the data released by the Ministry of Commerce), even as the growth in service exports moderated (to +10.1% from +14.2%; as per RBI data) between these quarters.
- In contrast, imports decelerated to 5.9% in Q1 FY2026 from 6.3% in Q4 FY2025, tracking the slowdown in services imports (to +1.5% from +4.4%), even as growth in merchandise imports (to +4.2% from +1.2%) rose, stemming from the non-oil non-gold segment (+9.3% YoY) in Q1 FY2026 vs. Q4 FY2025 (+5.8%).
- The YoY widening in drag from net exports in Q1 FY2026 is at odds with the improvement in the balance of merchandise and services trade (to -\$19.2 bn in Q1 FY2026 from -\$22.4 bn in Q1 FY2025).





## OUTLOOK FOR FY2026

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*GDP growth forecast at 6.0% for FY2026, bolstered by domestic consumption, front-loaded Government investment, even as exports pose a downside*

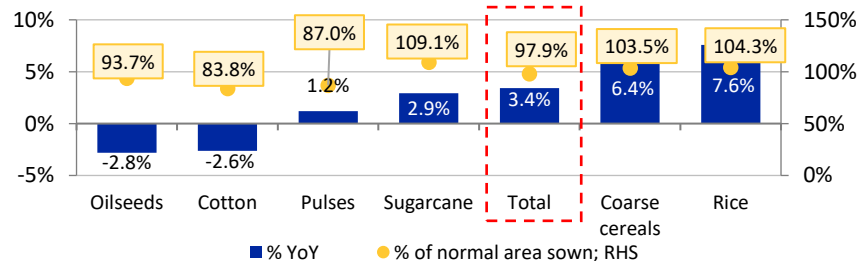
# Private consumption to be supported in FY2026, by income tax relief, upcoming GST rejig, healthy prospects for agri output

**EXHIBIT: Sizeable income tax relief in FY2026 (with a revenue foregone of ~Rs. 1.0 trillion as per the GoI) is set to increase discretionary income of households and spur demand for auto, services, etc.**

Tax slabs (%)	Previous (Rs.)	Revised (Rs.)
Nil	0 to 3 lakhs	0 to 4 lakhs
5%	3-7 lakhs	4-8 lakhs
10%	7-10 lakhs	8-12 lakhs
15%	10-12 lakhs	12-16 lakhs
20%	12-15 lakhs	16-20 lakhs
25%	-	20-24 lakhs
30%	Above 15 lakhs	Above 24 lakhs

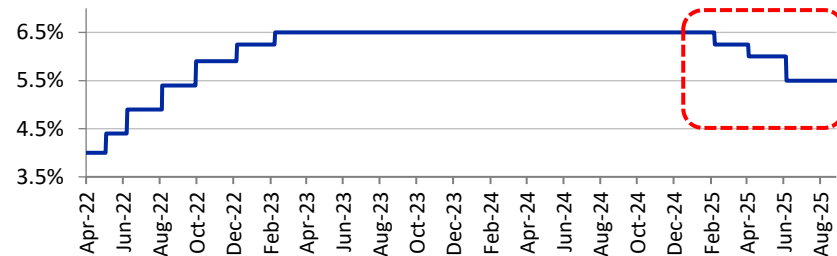
Source: Union Budget; ICRA Research

**EXHIBIT: Aided by the healthy monsoon rainfall so far, kharif sowing has been completed on 98% of normal sown area and is up by ~3% YoY as on August 22; likely to augur well for food inflation trajectory going ahead**



\*As on August 22, 2025; Source: Ministry of Agriculture and Farmers' Welfare; ICRA Research

**EXHIBIT: The policy repo rate cut of 100 bps during Feb-June 2025 would help reduce borrowing costs, and thereby push up spending**

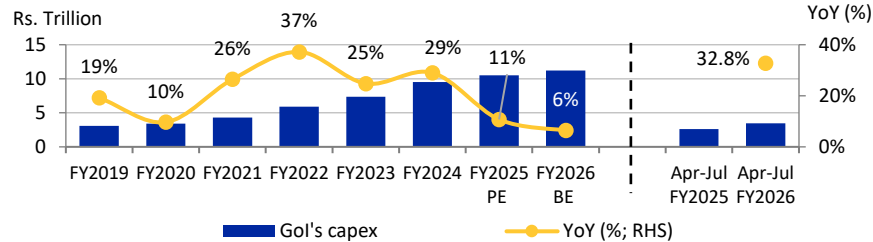


Source: RBI; ICRA Research

- The GoI's proposal for 'Next Generation GST reforms' by October 2025 (before Diwali) would aid consumption of household goods including daily essentials, packaged food items, apparel, footwear, consumer durables like ACs, TVs, and refrigerators as well as automobiles, especially in the entry level segment.
- However, this may lead to some postponement in consumption of these items in the run up to the upcoming festive season, as consumers may push forward purchases until the tax cuts are implemented.
- Nevertheless, the GST rejig, once implemented, would provide a thrust to household consumption, amid the favourable setting of lower interest rates and income tax relief.

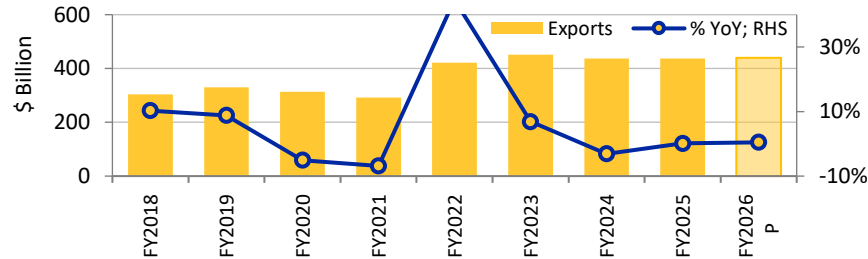
# Estimated slowdown in Gol's capex in remainder of FY2026 as well as sizeable tariffs by the US likely to weigh on GDP growth in H2

**EXHIBIT: The Gol's capex was frontloaded in 4M FY2026 (+33% YoY), suggesting that growth will taper off during Aug-March FY2026 (implicit based on BE: -2.1% YoY), which will weigh on GDP growth in this period**



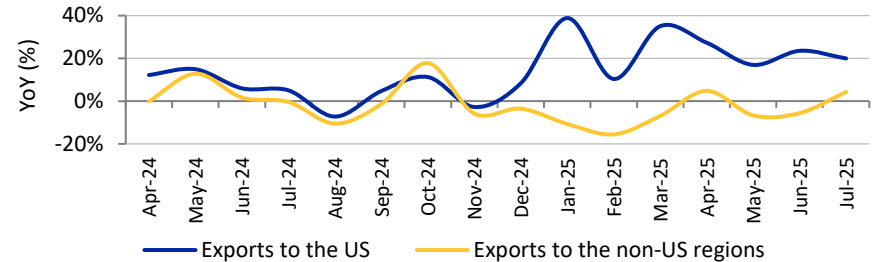
PE: Provisional estimates; BE: Budget Estimates; Source: Gol Budget Documents; CGA; Ministry of Finance, Gol; ICRA Research

**EXHIBIT: ICRA's baseline assumption builds in a 1-2% growth in India's merchandise exports, with downside risks contingent on the severity of tariffs being finally imposed and in place through the fiscal**



P: Projected; Source: Ministry of Commerce and Industry, Gol; ICRA Research

**EXHIBIT: India's exports to the US surged by ~24% YoY in 7M CY2025, suggesting frontloading (non-US: -6% YoY in 7M CY2025); US's share in India's exports rose materially to ~23% from ~18% in 7M CY2025**

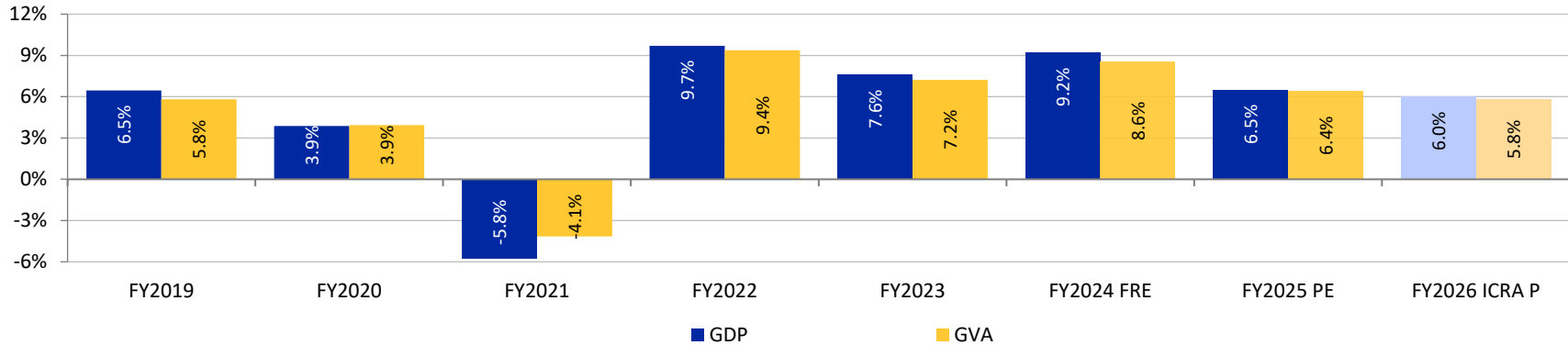


Source: Ministry of Commerce and Industry, Gol; ICRA Research

- The most vulnerable sectors to the US tariffs are textiles, cut and polished diamonds, seafood, leather products, while pharma, petroleum products, electronic goods like smartphones are exempted.
- Considering that ~50-60% of India's exports to the US (total merchandise exports to the US in FY2025: \$87 billion) are at risk, the downside is likely to be material in case the 50% tariff rate (25% general + 25% special) is continued until the end of FY2026. Given this, India's exports to the US are likely to contract during the remainder of the fiscal, which would weigh on the GDP growth prints.
- Moreover, potential job losses in export-oriented sectors might sour consumption sentiment in some pockets.

# India's GDP projected to grow at 6.0% for FY2026, with downside risks contingent on severity of US tariffs that prevails through H2

EXHIBIT: Annual GDP and GVA YoY growth trends (at constant 2011-12 prices)



P: Projected; Source: NSO; ICRA Research

- The outlook for private consumption is bolstered by developments like income tax relief, 100-bps rate cut, healthy progress of kharif sowing, and upcoming rationalisation of GST slabs, even as discretionary purchases by households could be deferred in Q2, until tax cuts are implemented during the festive season. However, gauging the impact of this measure on growth outcomes is difficult, until the details of the changes in the tax slabs (weighted average GST rate) become available. Moreover, potential job losses in sectors affected by US tariffs could sour sentiment for some households.
- If some amount is allocated towards a special relief package for exporters via supplementary demand for grants, it would increase Gol's non-interest revex, thereby auguring well for the GVA-PADOS segment. Nevertheless, private capex plans would be delayed, until there is more clarity on tariffs, demand certainty, etc.
- **After the unexpectedly strong Q1 FY2026, a lower YoY momentum of Government capex in remainder of the fiscal and the looming hit to exports from the US tariff and penalties, would dampen growth prints in the coming quarters, notwithstanding the balm offered by GST rationalisation. Amidst continuing uncertainty, ICRA maintains its baseline GDP growth forecast at 6.0% for FY2026.**



## Annexure

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## EXHIBIT: GVA at Basic Prices and its Components (YoY Growth, Constant 2011-12 Prices)

	Q4 FY2024	Q1 FY2025	Q2 FY2025	Q3 FY2025	Q4 FY2025	Q1 FY2026	FY2023 SRE	FY2024 FRE	FY2025 PE
<b>GVA at Basic Prices</b>	<b>7.3%</b>	<b>6.5%</b>	<b>5.8%</b>	<b>6.5%</b>	<b>6.8%</b>	<b>7.6%</b>	<b>7.2%</b>	<b>8.6%</b>	<b>6.4%</b>
<b>Agriculture, Forestry &amp; Fishing</b>	<b>0.9%</b>	<b>1.5%</b>	<b>4.1%</b>	<b>6.6%</b>	<b>5.4%</b>	<b>3.7%</b>	<b>6.3%</b>	<b>2.7%</b>	<b>4.6%</b>
<b>Industry</b>	<b>9.5%</b>	<b>8.5%</b>	<b>3.8%</b>	<b>4.8%</b>	<b>6.5%</b>	<b>6.3%</b>	<b>2.5%</b>	<b>10.8%</b>	<b>5.9%</b>
Mining & Quarrying	0.8%	6.6%	-0.4%	1.3%	2.5%	-3.1%	3.4%	3.2%	2.7%
Manufacturing	11.3%	7.6%	2.2%	3.6%	4.8%	7.7%	-1.7%	12.3%	4.5%
Electricity, gas, water supply & other utilities	8.8%	10.2%	3.0%	5.1%	5.4%	0.5%	10.8%	8.6%	5.9%
Construction	8.7%	10.1%	8.4%	7.9%	10.8%	7.6%	9.1%	10.4%	9.4%
<b>Services</b>	<b>7.8%</b>	<b>6.8%</b>	<b>7.2%</b>	<b>7.4%</b>	<b>7.3%</b>	<b>9.3%</b>	<b>10.3%</b>	<b>9.0%</b>	<b>7.2%</b>
Trade, Hotels, Transport, Communication & Services related to Broadcasting	6.2%	5.4%	6.1%	6.7%	6.0%	8.6%	12.3%	7.5%	6.1%
Financial, Real Estate & Professional Services	9.0%	6.6%	7.2%	7.1%	7.8%	9.5%	10.8%	10.3%	7.2%
Public Administration, Defence and Other Services	8.7%	9.0%	8.9%	8.9%	8.7%	9.8%	6.7%	8.8%	8.9%

SRE: Second Revised Estimates; FRE: First Revised Estimates; PE: Provisional Estimates; Source: NSO; CEIC; ICRA Research

## EXHIBIT: GDP and Final Expenditures (YoY Growth, Constant 2011-12 Prices)

	Q4 FY2024	Q1 FY2025	Q2 FY2025	Q3 FY2025	Q4 FY2025	Q1 FY2026	FY2023 SRE	FY2024 FRE	FY2025 PE
<b>GDP</b>	<b>8.4%</b>	<b>6.5%</b>	<b>5.6%</b>	<b>6.4%</b>	<b>7.4%</b>	<b>7.8%</b>	<b>7.6%</b>	<b>9.2%</b>	<b>6.5%</b>
<b>PFCE</b>	6.2%	8.3%	6.4%	8.1%	6.0%	7.0%	7.5%	5.6%	7.2%
<b>GFCE</b>	6.6%	-0.3%	4.3%	9.3%	-1.8%	7.4%	4.3%	8.1%	2.3%
<b>Exports</b>	7.7%	8.3%	3.0%	10.8%	3.9%	6.3%	10.3%	2.2%	6.3%
<b>Imports</b>	11.4%	-1.6%	1.0%	-2.1%	-12.7%	10.9%	8.9%	13.8%	-3.7%
<b>Gross Capital Formation</b>	9.1%	6.2%	7.7%	4.9%	7.8%	7.3%	7.6%	10.5%	6.7%
<b>GFCF</b>	6.0%	6.7%	6.7%	5.2%	9.4%	7.8%	8.4%	8.8%	7.1%
<b>Change in Stocks</b>	52.0%	7.5%	2.1%	3.5%	4.8%	5.9%	24.3%	53.4%	4.5%
<b>Valuables</b>	63.1%	-23.1%	25.8%	-0.5%	-29.8%	-22.5%	-16.9%	14.4%	0.6%

SRE: Second Revised Estimates; FRE: First Revised Estimates; PE: Provisional Estimates; Source: NSO; CEIC; ICRA Research

## EXHIBIT: Composition of GVA at Basic Prices (at Current Prices)

	Q4 FY2024	Q1 FY2025	Q2 FY2025	Q3 FY2025	Q4 FY2025	Q1 FY2026	FY2023 SRE	FY2024 FRE	FY2025 PE
<b>GVA at Basic Prices</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<i>Agriculture, Forestry &amp; Fishing</i>	<i>18.1%</i>	<i>16.2%</i>	<i>14.5%</i>	<i>22.7%</i>	<i>18.0%</i>	<i>15.3%</i>	<i>18.1%</i>	<i>17.8%</i>	<i>17.9%</i>
<i>Industry</i>	<i>29.7%</i>	<i>27.4%</i>	<i>26.4%</i>	<i>25.3%</i>	<i>29.3%</i>	<i>27.0%</i>	<i>27.7%</i>	<i>27.8%</i>	<i>27.1%</i>
<b>Mining &amp; Quarrying</b>	2.2%	2.1%	1.5%	1.6%	2.0%	1.7%	2.1%	1.9%	1.8%
<b>Manufacturing</b>	15.1%	13.8%	14.1%	12.7%	14.9%	14.0%	14.3%	14.3%	13.9%
<b>Electricity, gas, water supply &amp; other utilities</b>	2.8%	2.8%	2.7%	2.6%	2.7%	2.6%	2.5%	2.8%	2.7%
<b>Construction</b>	9.6%	8.8%	8.1%	8.3%	9.7%	8.7%	8.8%	8.8%	8.8%
<i>Services</i>	<i>52.2%</i>	<i>56.4%</i>	<i>59.1%</i>	<i>52.0%</i>	<i>52.8%</i>	<i>57.7%</i>	<i>54.3%</i>	<i>54.4%</i>	<i>54.9%</i>
<b>Trade, Hotels, Transport, Communication &amp; Services related to Broadcasting</b>	19.1%	15.6%	17.5%	17.8%	19.0%	15.7%	17.9%	17.6%	17.5%
<b>Financial, Real Estate &amp; Professional Services</b>	19.8%	25.9%	26.2%	20.0%	20.0%	26.5%	22.7%	22.8%	22.9%
<b>Public Administration, Defence and Other Services</b>	13.3%	14.9%	15.3%	14.2%	13.8%	15.6%	13.6%	14.0%	14.5%

SRE: Second Revised Estimates; FRE: First Revised Estimates; PE: Provisional Estimates; Source: NSO; CEIC; ICRA Research

## EXHIBIT: Composition of GDP and Final Expenditures (at Current Prices)

	Q4 FY2024	Q1 FY2025	Q2 FY2025	Q3 FY2025	Q4 FY2025	Q1 FY2026	FY2023 SRE	FY2024 FRE	FY2025 PE
<b>GDP</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>PFCE</b>	58.2%	60.1%	62.2%	65.1%	58.3%	60.3%	61.5%	60.2%	61.4%
<b>GFCE</b>	12.2%	10.0%	10.0%	8.7%	11.1%	10.1%	10.3%	10.3%	10.0%
<b>Exports</b>	21.9%	21.0%	21.1%	21.1%	21.4%	20.9%	23.3%	21.4%	21.2%
<b>Imports</b>	22.8%	23.4%	25.2%	23.7%	21.8%	22.8%	26.8%	23.5%	23.5%
<b>Gross Capital Formation</b>	34.1%	32.6%	35.2%	30.4%	33.6%	32.3%	33.6%	33.4%	32.9%
<b>GFCF</b>	31.1%	30.6%	30.7%	27.4%	31.0%	30.4%	31.2%	30.4%	29.9%
<b>Change in Stocks</b>	1.6%	1.5%	1.5%	1.4%	1.6%	1.4%	1.1%	1.5%	1.5%
<b>Valuables</b>	1.3%	0.5%	3.0%	1.6%	1.0%	0.4%	1.3%	1.4%	1.5%

SRE: Second Revised Estimates; FRE: First Revised Estimates; PE: Provisional Estimates; Source: NSO; CEIC; ICRA Research



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