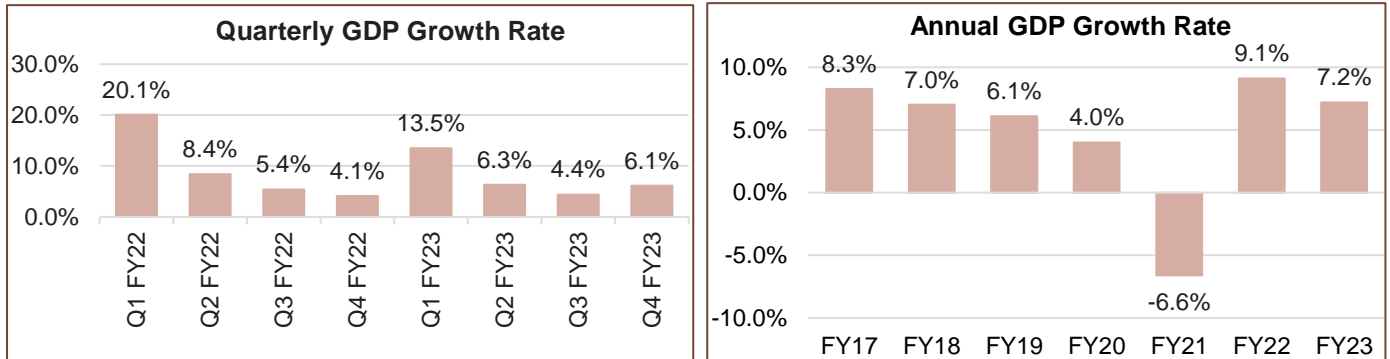
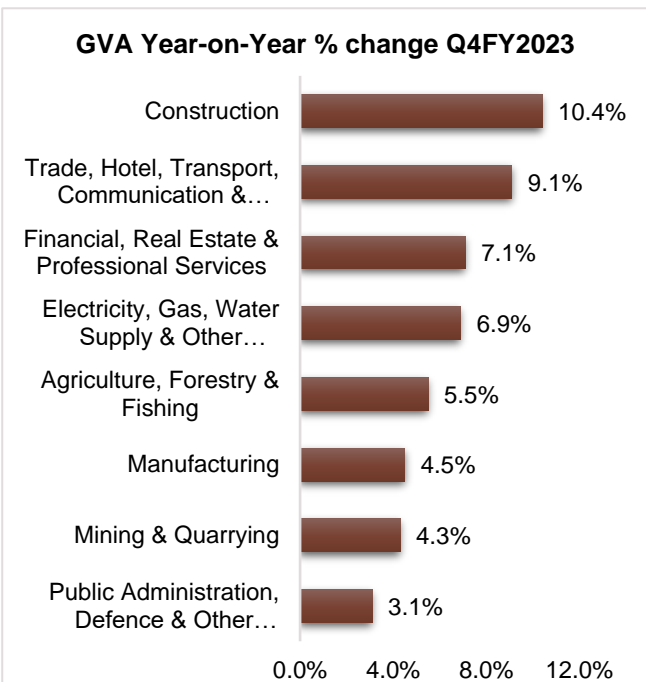


## India's GDP grows 6.1% in Q4; expands 7.2% in FY23



Source: MOSPI; News Articles

- **India's Gross Domestic Product (GDP) for the January- March quarter (Q4FY2023) grew by 6.1% compared to 4.4% growth rate witnessed in Q3.** The uptick in GDP is owed to higher government expenditure, higher investments and lower net imports. **Overall, the growth in FY23 fiscal was better-than-expected to 7.2%.** However, the FY23 growth has slowed down from 9.5% growth in FY22.
- Real GDP at Constant (2011-12) Prices in the year 2022-23 is estimated to attain a level of Rs 160.06 lakh crore, as against the First Revised Estimate of GDP for the year 2021-22 of Rs 149.26 lakh crore.
- **Gross Value Added (GVA) in Q4FY23 was 7.0% against an 8.8% growth in the preceding year** with manufacturing accelerating to 4.5% in March 2023 quarter, against 0.6% a year ago.
- However, private consumption hasn't done well. **Private finance consumption expenditure (PFCE), a marker to gauge how households have spent on buying goods and services, has stagnated significantly during Q4FY23.** It was down to 55% of GDP vs 61% in last quarter and last 4-quarter average of 59%.
- **The good news is that agriculture seems to have turned the corner with constant prices GVA growth at 5.5% during the quarter compared to 4.1% in the same quarter of the previous year. Manufacturing too, it appears, have rebounded smartly with a 4.5% growth, after two consecutive quarters of contraction.**



Source: MOSPI; News Articles

- Likewise for **trade, hotels, and transport that grew 9.1% during the quarter**, reflecting packed flights and hotels, both for business and holidaying purposes.
- **Overall, the data was positive.** However, the cheer is curbed by consumption sector not doing too well.
- **Thus, both consumption spending and government spending will have to quickly accelerate onto a faster lane** and continue to expand consistently over the medium term to maintain India's growth momentum.

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