

**May 30, 2025**

**India's Real GDP Grows 6.5% as per provisional estimate**

The Ministry of Statistics and Programme Implementation (MoSPI) has released its Provisional Estimates (PE) for India's Gross Domestic Product (GDP) for the financial year 2024-25, along with quarterly estimates for the January-March (Q4) quarter of FY 2024-25. The Indian economy, measured by Real GDP at Constant (2011-12) Prices, is estimated to have grown by 6.5% in FY 2024-25. For the fourth quarter of FY 2024-25, Real GDP growth is estimated at 7.4%. Nominal GDP for FY 2024-25 grew by 9.8%, and for Q4 FY 2024-25, it grew by 10.8%.

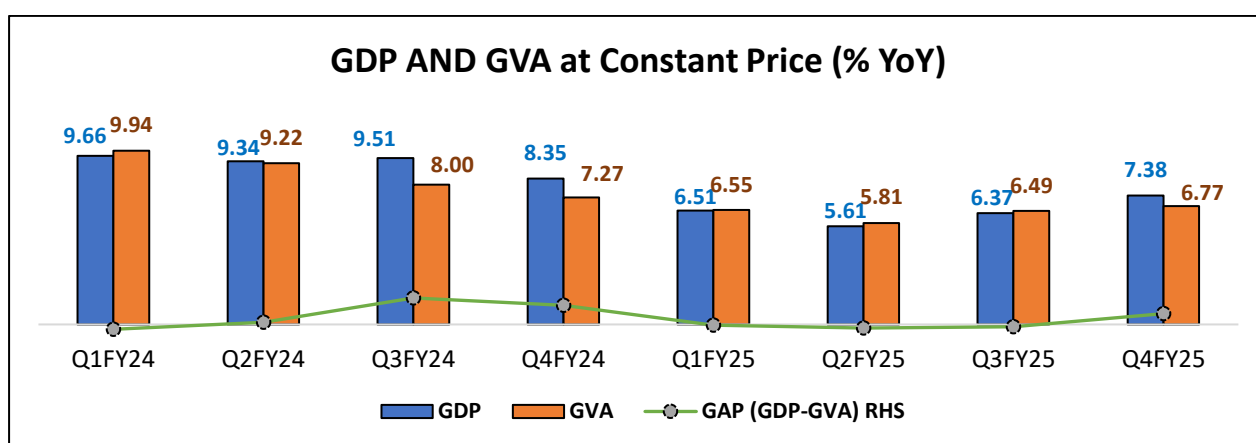
From a Gross Value Added (GVA) perspective at Basic Prices (Constant 2011-12 Prices), the economy registered a growth of 6.4% in FY 2024-25. The agriculture sector recorded a growth rate of 4.4% for FY 2024-25, improving from 2.7% in the previous financial year, and saw a 5.6% growth in Q4 FY 2024-25. The industry sector grew by 5.9% in FY 2024-25, with manufacturing showing a 4.5% growth. Notably, the 'Construction' sector is estimated to have achieved a robust growth of 9.4% in FY 2024-25 and 10.8% in Q4. The service sector expanded by 7.2% in FY 2024-25, driven by 'Financial, Real Estate & Professional Services' at 7.2% and 'Public Administration, Defence & Other Services' at 8.9%.

On the expenditure side, Private Final Consumption Expenditure (PFCE) reported a 7.2% growth rate during FY 2024-25, an increase from 5.6% in the previous fiscal year. Gross Fixed Capital Formation (GFCF), a key indicator of investment, recorded a 7.1% growth rate for FY 2024-25. Government Final Consumption Expenditure (GFCE) grew by 2.3% in FY 2024-25.

<b>Real GVA</b>					
<b>Industry</b>	<b>2022-23 (FE) (₹ Crore)</b>	<b>2023-24 (FRE) (₹ Crore)</b>	<b>2024-25 (PE) (₹ Crore)</b>	<b>Percentage Change Over Previous Year 2023-24</b>	<b>Percentage Change Over Previous Year 2024-25</b>
Agriculture, Livestock, Forestry & Fishing	23,05,978	23,67,287	24,76,805	2.7	4.6
Industry	44,90,673	49,76,506	52,70,112		5.9%
Mining & Quarrying	3,19,733	3,30,007	3,38,884	3.2	2.7
Manufacturing	25,16,364	28,25,935	29,53,647	12.3	4.5
Electricity, Gas, Water Supply & Other Utility Services	3,52,331	3,82,776	4,05,296	8.6	5.9
Construction	13,02,245	14,37,788	15,72,285	10.4	9.4
Services	80,81,377	88,07,683	94,40,529	9	7.2
Trade, Hotels, Transport, Communication & Services related to Broadcasting	27,85,740	29,94,536	31,76,830	7.5	6.1
Financial, Real Estate & Professional Services	34,59,277	38,14,586	40,88,072	10.3	7.2
Public Administration, Defence & Other Services*	18,36,360	19,98,561	21,75,622	8.8	8.9
<b>GVA at Basic Prices</b>	<b>1,48,78,028</b>	<b>1,61,51,477</b>	<b>1,71,87,446</b>	<b>8.6</b>	<b>6.4</b>

Expenditure Components at Constant Prices					
Item	2022-23 (FE)	2023-24 (FRE)	2024-25 (PE)	Percentage Change Over Previous Year 2023-24	Percentage Change Over Previous Year 2024-25
Private Final Consumption Expenditure (PFCE)	93,84,943	99,06,774	1,06,19,579	5.6	7.2
Government Final Consumption Expenditure (GFCE)	15,43,991	16,69,675	17,07,730	8.1	2.3
Gross Fixed Capital Formation (GFCF)	54,37,725	59,15,288	63,33,084	8.8	7.1
Changes in Stocks (CIS)	1,99,177	3,05,610	3,19,228	53.4	4.5
Valuables	2,35,146	2,69,106	2,70,759	14.4	0.6
Exports	37,43,310	38,25,494	40,68,098	2.2	6.3
Imports	38,59,869	43,90,614	42,29,390	13.8	-3.7
Discrepancies	-5,10,510	1,49,257	-2,92,131	0.8	-1.6
<b>GDP</b>	<b>1,61,64,913</b>	<b>1,76,50,591</b>	<b>1,87,96,955</b>	<b>9.2</b>	<b>6.5</b>

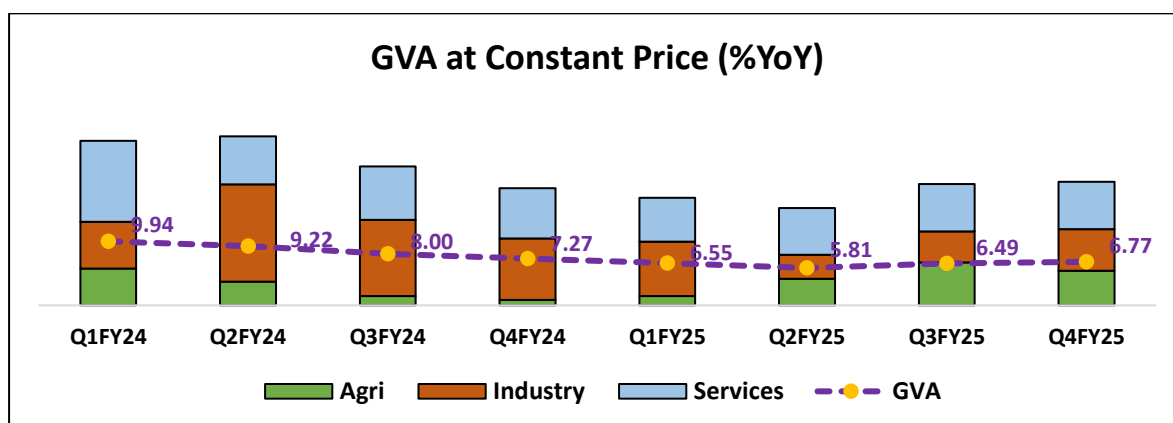
## GDP and GVA



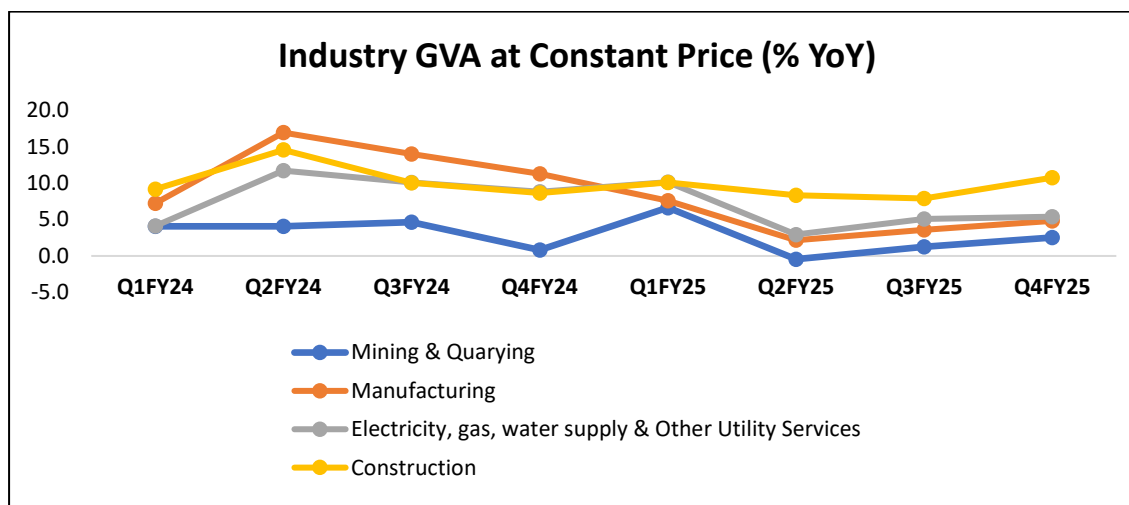
Throughout these quarters, the divergence between GDP and GVA underscores the fluctuating impact of net indirect taxes on the final economic output indicating that while productive activity is the fundamental driver, government's fiscal adjustments through taxes and subsidies also exert a dynamic influence on the overall pace of economic expansion.

## Sectoral Contribution under GVA

Service Sector consistently forms the largest share of GVA, implying its dominant role as the primary driver of India's economic value addition. Conversely, the agricultural sector's contribution to GVA shows significant quarterly volatility, indicating its high sensitivity to various external factors. Industry sector maintained a relatively stable and substantial share, underscoring its consistent and foundational role in generating economic value.



## Industrial contribution to GVA



Manufacturing exhibited a sharp peak in Q2 FY24 before a general decline in subsequent quarters, significantly influencing the Industrial Sector's overall GVA. Construction, however consistently maintained strong growth across nearly all quarters, acting as a steady pillar of industrial expansion. Mining & Quarrying displayed a notable quarter-to-quarter volatility, experiencing significant contractions in Q4 FY24 and Q2 FY25, followed by recoveries. Meanwhile, utility services showed relatively stable and moderate growth throughout the period, suggesting consistent demand for these essential services.

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