

# West Asia conflict may lower FY27 growth: Icra

Escalating conflict in West Asia could pose downside risks to India's economic growth outlook if the conflict persists, according to a report by ICRA. The rating agency said it expects India's real GDP growth to be around 7.1 per cent in FY2027, slightly lower than the 7.6 per cent estimated for FY2026, supported by resilient domestic demand, improving investment activity and continued government capital expenditure. However, prolonged tensions in the region could impact growth through higher crude oil prices and inflationary pressures.

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