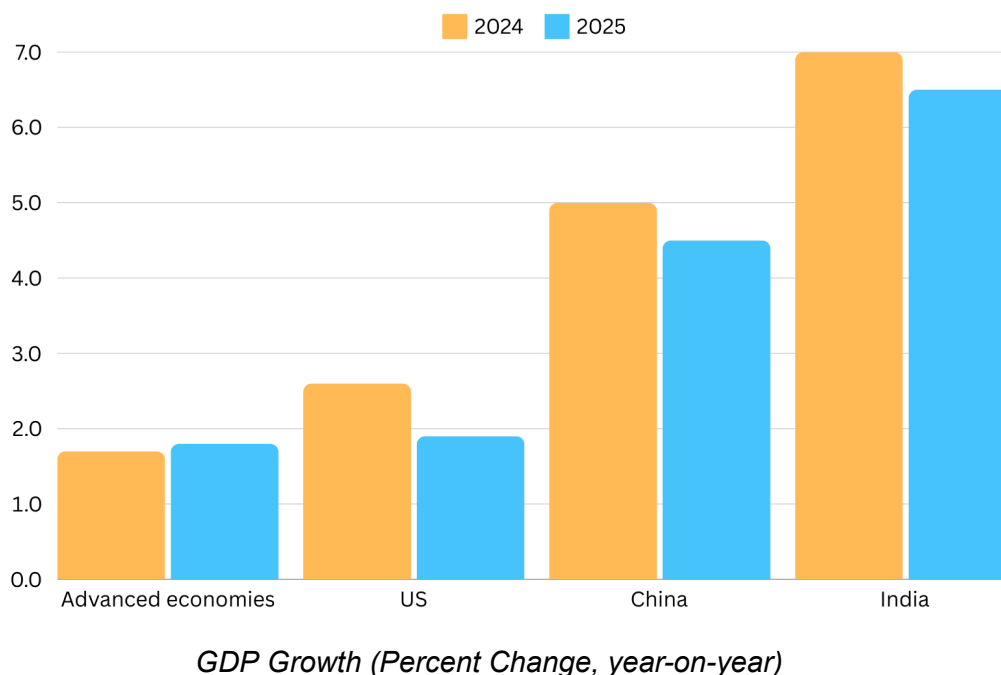


India shines as IMF upgrades GDP forecast to 7% in FY24-25

Faster growth fosters more jobs, social security and wealth creation

The International Monetary Fund (IMF) has upgraded India's gross domestic product (GDP) in the FY2024-25 by 20 basis points to 7 percent. The IMF has revised upward its forecast from the previous estimate of 6.8 percent in April.

The IMF's latest 'World Economic Outlook' report indicates that India's economic growth forecast for the current year has also been raised to 7.0 percent. The development has come in the backdrop of notable rise in consumption prospects, especially in rural areas. With this, India continues to maintain its position as the fastest-growing economy among emerging markets and developing economies.



“The forecast for growth in emerging markets and developing economies has been revised upward; this increase is powered by stronger activity in Asia, particularly China and India. The forecast for growth in India has also been revised upward to 7 per cent this year, reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas,” the IMF report stated.’

For the year 2025, the IMF projected India's growth rate at 6.5 per cent. It attributed robustness and strength in domestic demand and a rising working-age population behind its growth projections.

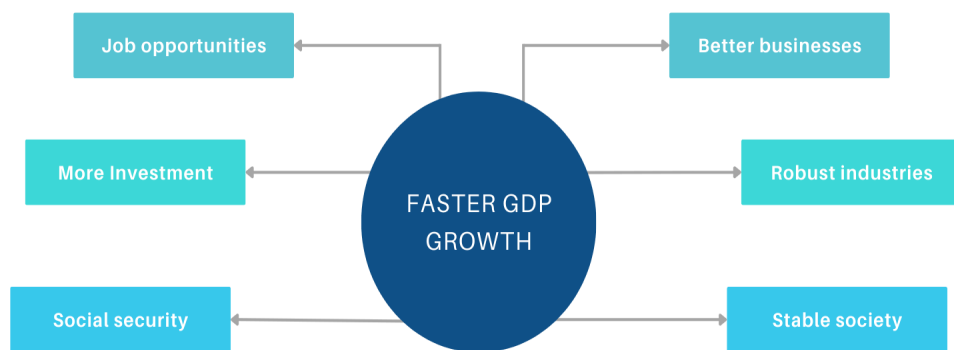
Notably, India's GDP expanded at 8.2 percent in 2023-24. That was higher than the 7 per cent in 2022-23, aided by a greater than expected expansion of 7.8 per cent in the fourth quarter, according to the provisional estimates of GDP growth released by the National Statistical Office (NSO).

The Indian economy exhibits robust fundamental policies by Reserve Bank of India (RBI), which plays a key role in maintaining stability through its adept monetary policy framework. By carefully managing interest rates and liquidity, the RBI aims to control inflation while fostering sustainable economic growth. It ensures a resilient financial sector, contributing to overall economic stability.

The resilience of Indian economy has navigated into the stock market to all time high. The record spiked stock market reflects investor confidence in India's long-term growth prospects, driven by reforms, demographic dividends, and technological advancements.

Increased job creation, social security, SDGs & wealth creation

Higher economic growth typically correlates with increased job creation and improved social security measures. When a country's GDP grows faster, businesses tend to expand and invest more, which leads to higher demand for labor across various sectors.



From 2017-18 to 2021-22, India generated more than **8 crore (80 million)** employment opportunities, as per the Periodic Labour Force Survey (PLFS) and the Reserve Bank of India's

KLEMS data. This translates to an average of more than **2 crore (20 million)** jobs created each year, despite the challenges posed by the global COVID-19 pandemic. This significant employment creation demonstrates the effectiveness of various government initiatives aimed at boosting employment across sectors.

In nutshell, higher economic growth not only boosts job creation by stimulating business activity but also provides governments with the means to enhance social security measures, contributing to a more stable and prosperous society.

The upgraded GDP forecast paves the way for significant progress in Sustainable Development Goals (SDGs). With a strong economic outlook projecting growth rates of 7.0% in 2024 and 6.5% in 2025, there are ample opportunities for advancing SDGs within the country. This growth trajectory aligns with initiatives focusing on gender equality, decent work, and overall economic development. Concurrently, **the increased job creation** and improved social security measures stemming from this economic growth contribute to a more stable and prosperous society, reflecting positive strides towards achieving sustainable development objectives. Additionally, the emphasis on boosting individual wealth creation, driven by rising wages, corporate profits, and a favorable economic environment, further underscores the potential for inclusive growth and equitable distribution of benefits.

In conclusion, India's upgraded GDP forecast reflects a promising economic outlook driven by improved consumption prospects, robust domestic demand, and growing job creation. The country's progress in enhancing social security measures, boosting employment opportunities, and advancing towards Sustainable Development Goals signifies a path towards a more stable and prosperous society. With increased individual wealth creation potential, reinforced by strong corporate profits and favorable economic conditions, careful policy calibration and inclusive growth strategies are essential to ensure equitable distribution of benefits and navigate potential risks for sustained economic development.

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