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India's growth path in next few years must depend on robust domestic investment and sector wise growth. Substantially India became the fifth largest economy in the world in our 75<sup>th</sup> year of independence.

In order to become developed country by 2025 India needs to grow at 8% to 9% annually.

### Growth forecast

India 2022-23 compared to 2019-20 has fared well in many areas. The Gross fixed capital formation GFCA to GDP increased to 29% from 28% and the private final consumption expenditure is also increased to 26%.

The Purchase Managers Index score was 56.4 and the GST collections are growing 1.4% more, the credit growth of scheduled commercial banks to increased to 15.3%. In order to achieve 7% annual growth, 5% of quarterly growth is crucial.

## Domestic investment

Increase in domestic investment increases the real GDP. The investment must be from both public and private

① The Venture capitalists invested \$26 Billion giving a fillip to the startup ecosystem in the country.

② Coal India limited is investing ₹16 Billion across 500 projects for clean coal technologies

③ Toyota Kirloskar and Karnataka government are setting up electric power train worth ₹800 crore

④ India's PII scheme invested ₹2 trillion

## Sector wise growth

① Agriculture registered robust growth due to good monsoon.

② Automobiles constitute 7% of GDP bound to increase to 12%, PII scheme, Vehicle scrappage policy helps the industry.

③ Renewables target of 175GW by 2022 aided by Electricity amendment act.

Devolution of funds, following robust fiscal federalism can aid us to achieve an annual 8 to 9% by 2047.