

India's Economic Momentum: Strong Infrastructure and Trade Deals Key for Accelerated Growth



India's economy is currently in a robust position, but achieving even faster growth rates will necessitate sustained investment in physical infrastructure, the finalization of new trade agreements, and continued improvements in the ease of doing business. This assessment comes from Sanjeev Sanyal, a distinguished member of the Prime Minister's Economic Advisory Council (PM-EAC), who addressed the nation's economic outlook on Friday, July 18, 2025.

Sanyal emphasized that while India is "in good shape," the aspiration to grow at more than 7-8 percent annually requires deliberate and persistent effort. "It's not like growth somehow naturally happens," Sanyal told ANI, underscoring that proactive policy measures are crucial to navigating the evolving global economic landscape. He pointed to free trade agreements (FTAs) as a vital component for unlocking further growth. India has already secured FTAs with key partners such as Japan, Australia, the UAE, and the UK, and is currently in advanced discussions with major economic blocs like the European Union and the United States. This proactive engagement with new markets is aimed at building resilience for the domestic economy amidst a turbulent global environment.

Beyond trade, Sanyal highlighted the continuous need for investment in infrastructure. He stressed that robust physical infrastructure is foundational to enhancing productivity and supporting economic expansion. This focus on infrastructure is consistent with the government's long-term vision for development, which recognizes that modern transportation networks,

energy systems, and digital connectivity are indispensable for attracting investment and facilitating trade.

Furthermore, Sanyal reiterated the importance of improving the ease of doing business. He noted that hundreds of "process reforms," often not making headlines, have quietly driven significant productivity gains. These micro-level improvements, he argued, accumulate to create a more efficient and attractive environment for both domestic and international businesses.

Sanyal's commentary provides a clear roadmap for India's economic trajectory. While the country has demonstrated remarkable resilience and consistent growth, achieving its higher aspirations will depend on the effective execution of infrastructure projects, the strategic expansion of its trade network through comprehensive agreements, and a relentless focus on simplifying business regulations. These pillars, Sanyal suggests, are essential for India to leverage global opportunities and secure its position as a leading global economic power.