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PM Modi Calls India the World's Fastest-Growing Major Economy, Citing Reform-Driven Growth

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Prime Minister Narendra Modi has reaffirmed his government's economic achievements, declaring that India is currently the fastest-growing major economy in the world. Speaking at a public event, Modi said the country's rapid growth is the result of "reform, performance,

and transformation,” crediting policy initiatives and governance changes over the past decade for boosting India’s economic momentum.

The statement aligns with recent projections from international financial institutions, including the International Monetary Fund (IMF) and the World Bank, which forecast India’s GDP growth to outpace other major economies in 2025. Estimates suggest that India’s economy could expand by around 6.5% to 7% this year, compared to much lower growth rates in advanced economies such as the United States, the European Union, and Japan.

Modi pointed to large-scale infrastructure projects, digitalization efforts, and manufacturing expansion as key drivers of growth. “From roads and railways to digital platforms and renewable energy, every sector is experiencing unprecedented progress,” he said. He also emphasized the role of structural reforms such as the Goods and Services Tax (GST), insolvency and bankruptcy mechanisms, and initiatives aimed at improving the ease of doing business.

Over the past decade, India has sought to position itself as a global manufacturing hub through programs like “Make in India” and the Production-Linked Incentive (PLI) scheme, which aim to attract domestic and foreign investment in sectors ranging from electronics to electric vehicles. Modi said these measures have helped create jobs, spur exports, and reduce the economy’s dependence on imports in critical areas.

The Prime Minister’s remarks come at a time when India is also benefiting from shifts in global trade patterns. Geopolitical tensions and supply chain realignments have prompted multinational companies to diversify their manufacturing bases away from China, with India emerging as a key alternative. This has been particularly evident in the electronics, pharmaceuticals, and automotive industries.

However, while India’s growth rate remains strong relative to other major economies, challenges persist. Economists note that high youth unemployment, rural distress, and income inequality continue to weigh on the broader economic picture. Inflationary pressures, particularly in food prices, have also been a recurring concern for policymakers.

Critics of the government argue that headline growth figures can mask underlying weaknesses in labor force participation and wage growth. They also point to the need for greater investment in education, healthcare, and social infrastructure to ensure that economic gains are more evenly distributed.

Despite these concerns, India's economic trajectory has drawn increasing attention from global investors. The country's stock markets have reached record highs in recent months, and foreign direct investment inflows have remained robust. Sectors such as fintech, renewable energy, and electric mobility have attracted significant funding, showing confidence in India's long-term prospects.

Modi framed India's current growth phase as part of a broader vision to make the country a developed economy by 2047, the centenary of its independence. "This is not just about statistics," he said. "It is about transforming the lives of 1.4 billion people and ensuring that every citizen benefits from the opportunities created by this growth."

As India moves forward, sustaining high growth rates will require balancing infrastructure expansion and industrial output with investments in human capital and technological innovation. For now, the government's message remains clear: India's economic momentum is both a symbol of national achievement and a strategic asset in a competitive global landscape.