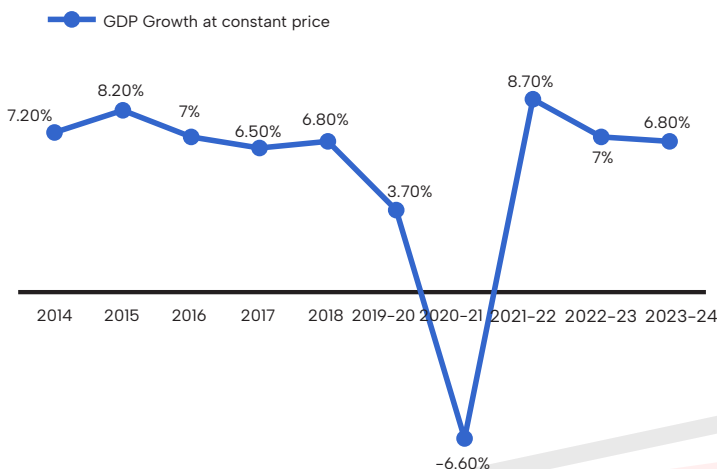


# Current Affairs (2023): Indian Economy At a Glance

## \* GDP Growth Trend:

According to half-yearly Economic Review Report of the Finance Ministry, India's Economy is expected to easily surpass the Government's growth estimate of 6.5% in FY24. Following figure shows GDP growth trend since 2014.



\* ADB revised India's FY24 growth forecast downward to 6.3% due to erratic monsoons impacting agricultural output.

\* The International Monetary Fund (IMF) reveal Global Growth expected to remain at 3% in 2023 and further decline to 2.9% in 2024, marking one of the lowest Growth Rates in decades.

## \* RBI Monetary Policy Committee (MPC) Meeting Highlights ( December 2023):

\* RBI MPC has kept the key policy Repo Rate unchanged at 6.5% by a unanimous decision. This is the 5th meeting on the trot that the MPC decided to maintain the status quo on the repo rate.

\* RBI raised the GDP growth projection for FY24 to 7% from 6.5% earlier on buoyant domestic demand and higher capacity utilization in the manufacturing sector.

\* CPI inflation projected at 5.4% for FY24 with Q3 at 5.6% and Q4 at 5.2%.

\* The retail inflation projected at 5.2% for Q1 FY25, 4% in Q2, 4.7% in Q3.

## \* India's forex reserves:

\* India's forex reserves increased by \$4.47 billion to \$620.44 billion for the week ending December 22, according to the Reserve Bank of India (RBI). Foreign currency assets expanded by \$4.69 billion to \$549.75 billion. Gold reserves decreased by \$102 million to \$47.47 billion. The RBI has been deploying the kitty to defend the rupee amid Global pressures.

\* A Reserve Bank of India-appointed working group recommended inclusion of the rupee in the Special Drawing Rights (SDR) basket and recalibration of the Foreign Portfolio Investor (FPI) regime to accelerate the pace of Internationalization of the rupee.

## \* Foreign Trade of India:

\* India's overall exports (Merchandise and Services combined) in April-October 2023 are estimated to be USD 437.54 Billion, exhibiting a negative growth of (-) 1.61 % over April-October 2022.

\* Overall imports in April-October 2023 are estimated to be USD 495.17 Billion, exhibiting a negative growth of (-) 7.37 % over April-October 2022.

\* Major contributors to export growth in October 2023 include Drugs & Pharmaceuticals, Engineering Goods, Electronic Goods, Cotton Yarn/ Fabs. / Made-ups, Handloom Products etc., Iron Ore, Ceramic products & glassware and Meat, dairy & poultry products

## \* Trade during April-October 2023

		April-October 2023 (USD Billion)	April-October 2022 (USD Billion)
Merchandise	Exports	244.89	263.33
	Imports	391.96	430.47
Services	Exports	192.65	181.37
	Imports	103.22	104.09
Overall Trade (Merchandise+ Services)	Exports	437.54	444.70
	Imports	945.17	534.56
	Trade Balance	-57.64	-89.86

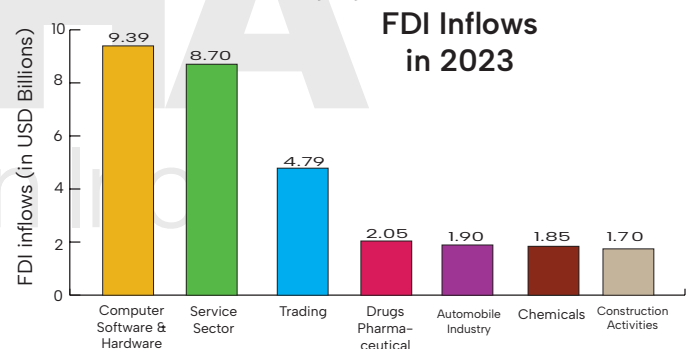
\* According to Union Minister of Steel and Civil Aviation, India has moved from 4th Largest producer of crude steel to the 2nd Largest producer of crude steel. In the FY 2022-23 alone, total finished Steel Production was 122.28 MT.

## \* Foreign Direct Investment (FDI)

\* FDI inflow in India stood at USD 36 billion in 2013-14 and registered its highest ever annual FDI inflow of USD 85 billion in the FY 2021-22. Total FDI inflows in FY 2023 amounted to US\$70.97 billion. During the current Financial Year, 2023-24 (up-to September 2023) FDI worth USD 33 billion has been reported.

\* FDI inflow in the last 9 FY (2014-23: USD 596 billion) has increased by 100% over the previous 9 FY (2005-14: USD 298 billion) and is nearly 65% of the total FDI reported in the last 23 years (USD 920 billion).

\* FDI equity inflow in the manufacturing sectors in the last 9 FY (2014-23) (USD 149 billion) has increased by 55% over the corresponding period of the previous nine years (2005-14) (USD 96 billion). These trends in India's FDI are an endorsement of its status as a preferred investment destination amongst global investors.



## \* South India's 1st Industrial Corridor Project

\* The Prime Minister laid the foundation stone of South India's 1st Industrial Corridor Project to be implemented at Tumakuru which is spread over 8500 acres of land under the Chennai Bengaluru Industrial Corridor (CBIC).

\* The CBIC project includes the development of industrial townships at three nodes: Krishnapatnam (Andhra Pradesh), Tumakuru (Karnataka), and Ponneri (Tamil Nadu).

## Gift City:

- GIFT (Gujarat International Finance Tec-City) City is located in Gandhinagar, Gujarat.
- It consists of a multi-service Special Economic Zone (SEZ), which houses India's first International Financial Services Centre (IFSC) and an exclusive Domestic Tariff Area (DTA).
- GIFT city is envisaged as an integrated hub for Financial and Technology services not just for India but for the World.
- India's first International Bullion Exchange - IIBX was launched at GIFT City.