

'Economy likely to grow at 8% in FY25'



CII president Sanjiv Puri and director general Chandrajit Banerjee address the press in New Delhi on Thursday

ANI

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INDIA'S ECONOMY IS expected to grow at a "robust" 8% in FY25, Confederation of Indian Industry (CII) president Sanjiv Puri said on Thursday, citing the second generation reforms that the Narendra Modi-led government will undertake, good monsoon prospects, and the improved external situation.

"A lot of policy interventions in the past have put the economy on a much stronger wicket," Puri said. CII's growth projection for this fiscal is way higher than the Reserve Bank's forecast of 7.2%. In FY24, India's economy had expanded by 8.2%.

At a press conference here, Puri said the industry is seeing "green shoots" in rural consumption, which was subdued in FY24. On the industry's expectations from the new government, Puri said electricity, petroleum products and real estate must be brought under the ambit of the goods and services tax (GST), and the

capital gains tax structure must be rationalised. The GST Council is set to meet on June 22.

On the private sector capital expenditure, the CII president said it remains strong at the moment and is likely to grow in the coming years due to improved consumption prospects and high capacity utilisation levels.

"Private sector investment has been an area of concern sometime ago, but the good news today is that it is on the right trajectory. Right now, it is at 23.8%, which is more than the pre-Covid levels," Puri said.

On land reforms, he sought a moderation in stamp duty to lower the cost of acquisition for economic activity, the establishment of a state-level land authority, and digitisation of the process, among other measures. To address the issue of employment generation, Puri said, employment-linked incentive schemes with appropriate outcome indicators can be launched for labour-intensive sectors with high growth potential such as toys, textiles and apparel.