

# BoB sees FY25 GDP growth at 6.75-6.8%

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The Bank of Baroda (BoB), in a report released on Friday, has projected India's gross domestic product (GDP) to grow at 6.75 - 6.8 per cent in FY25 and 6.8 per cent for this financial year.

"The Indian economy is (better off compared to) its global counterparts on the back of resilience reflected through domestic demand and sustained government thrust on capital expenditure," the report said.

The International Monetary Fund (IMF) has projected the Indian economy to grow at 6.7 per cent for the current fiscal, upgrading the estimates by 40 basis

**The International Monetary Fund has projected the Indian economy to grow at 6.7%**

points from its previous forecast in October 2023. The World Bank expects the Indian economy to clock a growth of 6.3 per cent in FY24 and 6.4 per cent in FY25, led by strong domestic demand, growing infrastructure spending, along with robust private sector credit growth. The Reserve Bank of India (RBI) has pegged the country's growth at 7 per cent in FY24.

BoB expects the growth for the third quarter of the current financial year to moderate to 6.4 per cent against an increase of 7.6 per cent in the previous quarter due to subdued growth in agriculture and industry sectors.

The report projected a growth of 2.1 per cent for the agriculture sector in the third quarter of FY24, which is slower than initially anticipated, after the first Advance Estimates for kharif crops showed lower food grain production this year. "Rural demand is likely to be slower as has been reflected by some moderation in tractor and two-wheeler sales. Uptick in e-way bill generations in January 2024 will provide some support to services," the BoB report said.