

GDP grows 7.8%; India stays resilient despite global uncertainties, says FM

CRUCIAL ASPECT. Banks must play a significant role in building the confidence of the people: Sitharaman

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India's continues to show economic resilience, particularly in the April to June quarter this year, with GDP growing 7.8 per cent, said Finance Minister Nirmala Sitharaman while speaking at the Bank of Maharashtra's 91st Foundation Day event in Pune.

She said the next-generation GST reform had given priority to the common man, and banks have to play a significant role in building the confidence of the people, especially the youth.

"Amid this uncertain global environment, India's resilience stands out. Several favourable factors, such as strong macroeconomic fundamentals, a young demography and greater reliance on domestic demand, provide core strength to the Indian economy to withstand global spillovers and grow at a higher aspirational

trajectory. Post-Covid, India rebounded strongly, recording an average annual growth of about 8 per cent during 2021-22 to 2024-25. It stood out as the fastest-growing major economy in the world. This economic resilience has continued, with India's GDP growing by 7.8 per cent in the April-June quarter," she said.

RATINGS UPGRADES

She added that India's resilience was not accidental, reflecting proactive fiscal and monetary policies, bold structural reforms, massive infrastructure creation (both physical and digital), improved governance and enhanced competitiveness over the last decade. "S&P upgraded India's sovereign credit rating to 'BBB' (from BBB-) in August 2025 after 18 years, and Morningstar DBRS upgraded us to 'BBB' from BBB (low) in May 2025. Recently, Japanese credit rating agency, Rating and Investment Information (R&I), upgraded India's



FROM STRENGTH TO STRENGTH. Finance Minister Nirmala Sitharaman addressing the 91st Foundation Day celebrations of Bank of Maharashtra in Pune on Thursday

long-term sovereign credit rating to 'BBB+' from 'BBB'."

"With uncertainty remaining a defining feature of the global landscape, the role of banks becomes even more critical, not just as custodians of savings but as engines of growth, providing the finance and support that businesses and entrepreneurs

need to navigate volatility, seize opportunities and drive innovation," she said.

BOM'S PERFORMANCE

She stated that Bank of Maharashtra's Return on Assets (RoA) of 1.8 per cent in FY25 is significantly ahead of the average RoA of PSBs, which stood at 1.1 per cent. The

bank's Cost to Income Ratio (CIR) for FY25 stands at 38.4 per cent, which is not only the lowest among Public Sector Banks, where the average CIR is 50.1 per cent, but also surpasses the majority of private sector banks. Additionally, a CIR below 40 per cent is globally regarded as an excellent benchmark.

"Similarly, the bank's CASA ratio of 53.3 per cent is the highest among Public Sector Banks (PSBs), where the average CASA ratio is 38.8 per cent, and it also surpasses the majority of private sector banks. Gross NPA stood at 1.74 per cent and Net NPAs stood at 0.18 per cent at a multi-year low," she added.

Sitharaman said Bank of Maharashtra's Provision Coverage Ratio has improved to 98.36 per cent. Total business grew by over 14 per cent on a y-o-y basis to ₹5.46 lakh crore, and total deposits increased by over 14 per cent on a y-o-y basis to over ₹3 lakh crore.