



India to Become Third Largest Economy by 2031

Source: FE

CRISIL, a major rating agency in India, forecasts the country's [Gross Domestic Product \(GDP\) growth](#) to be 6.8% in the next fiscal year (FY25).

- CRISIL expects India's economic growth to moderate slightly from the current fiscal year (FY24) due to factors like **higher interest rates** but still sees a healthy 6.8% growth for FY25.
- Over the next seven years, CRISIL predicts an average **annual growth rate of 6.7%**, potentially propelling India to become the **world's third-largest economy by 2031, trailing behind the US and China.**
 - India, with a GDP size of USD 3.7 trillion, is currently the **fifth largest economy in the world**, after the US, China, Japan and Germany.
- The projected growth is expected to elevate India's [per capita income](#) (reach \$4,500 by 2031), allowing it to reach **upper-middle-income status by 2031.**
- Crisil's India Outlook report projects that between fiscal 2025 and 2031, the size of the Indian economy will inch closer to the **USD 7 trillion mark.**

Read more: [India's Economic Outlook](#)

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