



## 21st Annual Global Investor Conference 2025

**For Prelims:** [US trade tariffs](#), [Imported Inflation](#), [Economic Survey 2024-25](#), [Make in India](#), [Atmanirbhar Bharat](#), [Unified Payments Interface](#), [Green hydrogen](#),

**For Mains:** Key Opportunities & Challenges Faced by Indian Economy, Measures to Enhance Resilience of Indian Economy.

[Source: PIB](#)

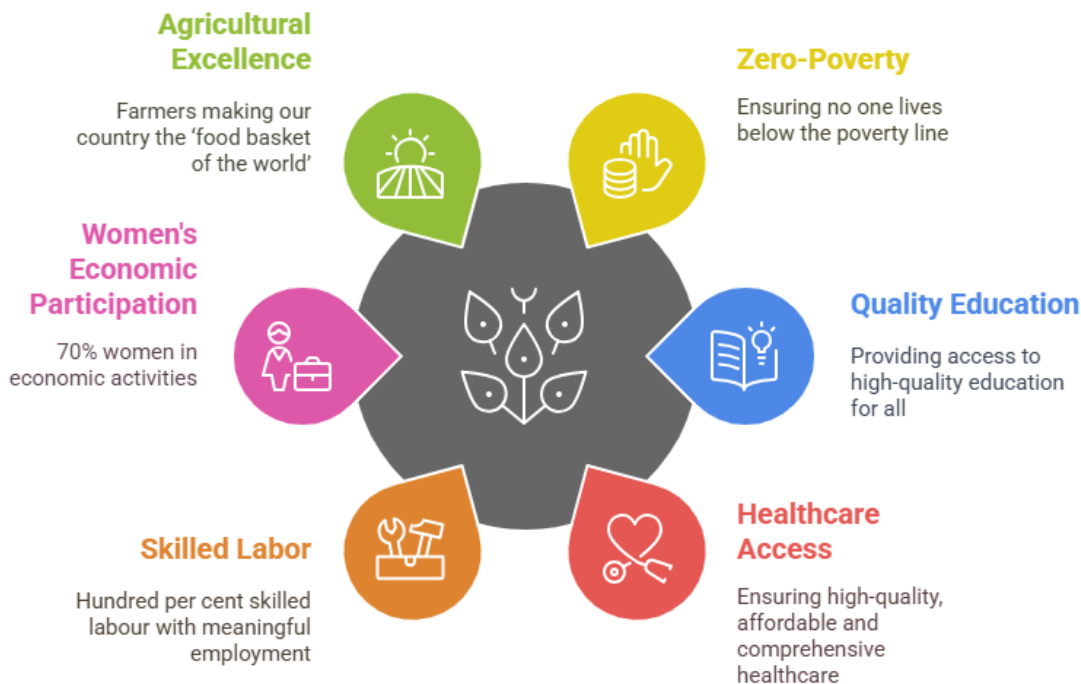
### Why in News?

The Union Minister of Commerce and Industry addressed the **21st Annual Global Investor Conference 2025**, emphasizing India's **strong economic performance** and its vision of becoming a developed nation by **2047 under Viksit Bharat**.

### What are the Key Highlights of 21st Annual Global Investor Conference 2025?

- **Impressive Economic Growth:** India's economy grew by **7.8% in the Q1 of FY 2025**, the highest since 2020.
  - **Private investment went up by 66%**, **FDI increased by 14%**, and **inflation (CPI)** was the lowest in many years.
- **Manufacturing and Make in India:** The **Manufacturing PMI** reached a **17.5-year high**, showing strong growth in production.
  - The government is using **infrastructure as a growth driver** to boost demand. Focus is also on making **drones, semiconductors, and CRGO steel** in India to cut imports and build local industries.
- **Ease of Doing Business and Reforms:** The **GST 2.0** has made taxation simpler and is expected to increase demand.
  - Along with this, **lower corporate and personal taxes** and **RBI's easy monetary policy** have boosted business activity, while keeping inflation at just **1.5%**.
- **Banking and Financial Confidence:** The **banking sector is performing at its best in years**, giving confidence to depositors and borrowers.
  - Also, **millions of new demat accounts are being opened each month**, showing **growing participation in stock markets** and more domestic investment.
- **Trade and International Engagements:** India has signed **trade agreements with Mauritius, UAE, and Australia**, and is negotiating with the **EFTA bloc, EU, and UK**.
- **Sustainability:** The government is promoting **renewable energy and energy-efficient products** like **LED bulbs and 5-star appliances**.
  - It is also stressing **Zero Defect, Zero Effect (ZED) manufacturing**, which means making high-quality goods that do not harm the environment.

## Principles of Viksit Bharat



## What are the Key Challenges to the Indian economy and Suggest Measures to enhance its Resilience?

Key Challenges	Measures to Enhance Resilience
Rising <b>global protectionism and geopolitical conflicts</b> are straining India's trade.	Develop multi-aligned trade strategies, <b>reduce oil dependence</b> , diversify energy partners, and accelerate <b>renewable transition</b> .
<b>Imported inflation</b> surged from <b>1.3% (June 2024) to 31.1% (Feb 2025)</b> due to rising prices of precious metals, oils, and fats.	Strengthen financial norms, <b>deepen domestic capital markets</b> , promote <b>rupee internationalisation</b> , and manage currency sovereignty.
Conflicts in the <b>Red Sea and Indo-Pacific</b> , along with <b>protectionist trade policies</b> , have <b>raised transport costs and disrupted supply chains</b> .	Invest in <b>climate-smart agriculture</b> , resilient seeds, cold chains, and maintain transparent food reserves <b>to ensure price stability and rural income</b> .
Negotiations on the <b>India-EU FTA</b> and India-Canada trade talks remain stalled due to disputes over <b>data protection, IPR, tariffs</b> , limiting India's trade diversification	Focus on <b>indigenous R&amp;D in tech (AI, 5G)</b> , build <b>digital infrastructure</b> , and enhance skill development and public health systems.

## Conclusion

India's **economy** remains strong in **fundamentals** and **reforms**, yet vulnerable to **global shocks, trade disputes, and supply chain risks**. Building **resilience** through **diversified trade, energy security, financial stability, and human capital** is vital. A balanced path of **domestic demand-led growth** and **global leadership** will drive India's vision of **Viksit Bharat 2047**.

### Drishti Mains Question

Discuss the key achievements that highlight the strength of the Indian economy and the structural measures required to ensure its resilience in the face of global uncertainties.

# UPSC Civil Services Examination, Previous Year Questions (PYQs)

## **Prelims**

Q. In the 'Index of Eight Core Industries', which one of the following is given the highest weight? (2015)

- (a) Coal production
- (b) Electricity generation
- (c) Fertilizer production
- (d) Steel production

Ans: (b)

Q. Increase in absolute and per capita real GNP do not connote a higher level of economic development, if: (2018)

- (a) Industrial output fails to keep pace with agricultural output.
- (b) Agricultural output fails to keep pace with industrial output
- (c) Poverty and unemployment increase.
- (d) Imports grow faster than exports.

Ans: (c)

Q. In a given year in India, official poverty lines are higher in some States than in others because: (2019)

- (a) Poverty rates vary from State to State
- (b) Price levels vary from State to State
- (c) Gross State Product varies from State to State
- (d) Quality of public distribution varies from State to State

Ans: (b)

## **Mains:**

Q.1 "Industrial growth rate has lagged behind in the overall growth of Gross-Domestic-Product(GDP) in the post-reform period" Give reasons. How far the recent changes in Industrial Policy capable of increasing the industrial growth rate? (2017)

Q.2 Normally countries shift from agriculture to industry and then later to services, but India shifted directly from agriculture to services. What are the reasons for the huge growth of services vis-a-vis the industry in the country? Can India become a developed country without a strong industrial base? (2014)

Q. 3 What are the challenges before the Indian economy when the world is moving away from free trade and multilateralism to protectionism and bilateralism? How can these challenges be met? (2025)