

India's Economic Momentum in a Shifting Global Landscape



งานเสวนา

Unlock India เปิดประตูสู่อินเดีย

วันพุธที่ 1 เมษายน 2569

เวลา 12.30 - 16.15 น. ณ ห้องบัวหลวง ชั้น 30
ธนาคารกรุงเทพ จำกัด (มหาชน) สำนักงานใหญ่ สีลม

สอบถามเพิ่มเติมได้ที่

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Steady Growth Amid Global Trade Shifts

As the global economy faces slower growth and shifting trade tensions, India has continued to demonstrate strong economic momentum. The country is increasingly seen as a future pillar of the global economy, with many analysts expecting it to become the world’s third-largest economy in the coming years. This transition reflects both its expanding economic scale and its rising strategic importance within global production networks and international trade.

India’s growth remained resilient throughout 2025 despite tariff measures imposed by the United States on several trading partners.

Earlier this year, New Delhi and Washington reached an agreement to ease these pressures by lowering reciprocal tariffs on Indian goods from 25% to 18%. This adjustment brings India closer to tariff levels commonly seen across Asia, typically ranging between 15% and 19%.

While the reduction may appear modest, economists suggest it could still support growth. Goldman Sachs estimates that the change could lift India’s GDP by around 0.2%, reflecting its exposure to US demand. More broadly, India’s economic outlook remains robust despite a challenging global backdrop. The Ministry of Statistics and Programme Implementation expects the economy to

expand by approximately 7.6% in FY2026, ending March 31.

Reforms and Manufacturing Drive Structural Change

India's economic resilience has been underpinned by a series of reforms aimed at improving the business environment and strengthening competitiveness. Speaking at the World Economic Forum earlier this year, senior ministers highlighted key pillars of the country's growth strategy, including sustained infrastructure investment, efforts to make growth more inclusive, a stronger focus on manufacturing and innovation, and continued regulatory simplification.

Regulatory reform has been central to this effort. In recent years, the government has removed more than 1,600 outdated laws and eliminated tens of thousands of compliance requirements. These steps are designed to reduce administrative burdens and make it easier for businesses to operate and invest.

At the same time, India's industrial strategy is gradually moving the economy toward higher value-added activities within global supply chains. Electronics exports have expanded rapidly, with the country shifting beyond basic assembly into areas such as product development and design. Meanwhile, the services sector continues to reinforce its global position. Over the past two decades, India's share in global services exports has risen steadily, placing it seventh worldwide, while services now account for more than half of GDP.

A key driver of this transformation has been the "Make in India" initiative. The program aims to attract global investment, strengthen domestic manufacturing capacity, promote technological innovation, and develop a more skilled workforce. Over the past decade, it has

supported growth in sectors such as electronics and automobiles while contributing to job creation across the economy.

Digital Connectivity Fuels Economic Transformation

Digital connectivity has played a transformative role in India's economic development. Over the past decade, internet usage has expanded dramatically, with the number of users rising from around 250 million in 2014 to more than one billion in 2025.

This expansion has been driven by the rollout of 4G and 5G networks, substantial investment in fiber-optic infrastructure, and government policies aimed at improving digital access across both urban and rural areas.

Affordability has also been critical. The average cost of one gigabyte of mobile data in India ranges between US\$0.08 and US\$0.10, making it among the lowest globally and well below the global average. This has enabled hundreds of millions of people to access digital services, from online payments and public services to education and healthcare.

Together, these developments have created one of the world's largest digital ecosystems, frequently cited as a leading example of large-scale digital public infrastructure.

A Growing Consumer Powerhouse

Alongside these structural shifts, demographic trends are shaping India's economic trajectory. A young population, rising incomes, and rapid urbanization are expanding domestic consumption and opening new economic opportunities.

The growth of middle- and upper-middle-income households is becoming a key driver of demand for goods and services. As purchasing

power increases, consumption is expected to emerge as a major engine of growth in the years ahead.

For global businesses and investors, India therefore represents more than a manufacturing hub. It is also emerging as one of the world's largest and most dynamic consumer markets.

At the same time, India continues to deepen its global trade integration. The country now has nine Free Trade Agreements covering 38 partner economies, further expanding market access and strengthening its position in global commerce.

Unlocking India's Opportunities

As India's role in the global economy continues to expand, businesses across Asia are paying closer attention to the opportunities emerging in the world's fastest-growing major economy.

Reflecting this growing interest, Bangkok Bank will host the "Unlock India" seminar on Wednesday, April 1, 2026. The event is designed as a strategic platform for senior executives, entrepreneurs, institutional

investors, and policymakers seeking deeper insights into India's evolving economic landscape.

The seminar will explore India's expanding global role, emerging investment trends, and key policy developments, alongside practical perspectives on doing business in the country. It will also examine both the opportunities and challenges facing Thai companies considering investment or expansion into India.

For Thai businesses looking to understand where this economic giant is heading and how to engage with its rapidly growing market, the event offers a timely opportunity to gain valuable insights and strengthen future Thailand-India economic partnerships.

Those interested in attending can register by scanning the QR code provided in the event announcement.

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