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Leveraging India's Strengths For Its Economic Growth

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The following points highlight a few ways India can leverage its strengths for its economic growth:

- India has demonstrated its strength of being one of the largest exporters of IT and BPO services globally, estimated at about US\$157b in the fiscal year 2021-22.
- The country is expected to solve the most complex problems and manage the digital front-to-back-end functions of global corporations, be the robotics and AI capital of the world and be a Platform and Product powerhouse.
- Indian IT services companies can create significant value by creating new segments (e.g., Metaverse, 5G/xG), powering market-leading growth in emerging segments and developing new categories of managed services.
- Extending their value proposition to include "advise, build, and implement," as well as the ability to provide end-to-end solutions will also benefit the IT industry.
- India has emerged as the GCC hub for global corporations employing approximately 1.3m people as of FY2021 and is expected to employ 2 - 3m people by 2025.
- The success of this sector (GCC) in India has had a compounding impact on the Indian economy because this workforce consumes a significant amount of goods and services and contributes to savings and investments in the Indian economy.
- India has the availability of a large working-age population. As of 2022, about 68% of its population was in the working age group and about 24.3% of the incremental global workforce over the next decade will be drawn from India.
- India must take advantage of this and create more jobs and thereafter improve the labour force participation rate. Especially in agriculture.
- Encourage women to join the workforce in order to further increase the size of the labour force.
- India also has a large pool of skill-based talent therefore defining opportunities for this group will not only support India's growth but can also help them provide their services and expertise globally.
- India's service export employs close to 31% of the workforce, contributes to over 50% of India's GDP and is one of the largest recipients of FDI inflows in India.
- Focusing on the diversification of the services exports by increasing competency in other emerging services can lend greater growth to the sector in the global economy.
- India has used the internet to develop a slew of digital public goods and services. The most significant is the "India Stack" which is a set of open Application Programming Interfaces (API).
- Aadhaar, UPI, and Ayushman Bharat Mission are examples of the usage of the India Stack which has digitized identification, payment network and health respectively. The same can be used in other sectors like education, agriculture and logistics to help businesses achieve scale across sectors.
- Broadband usage is increasing, which is propelling marketplaces making the environment in the country more business-friendly.
- India's private debt-to-GDP ratio remains among the lowest among large economies, providing a huge runway for increasing leverage to drive growth. Bank credit and corporate bond market could be better utilized in India for driving GDP growth.

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