ASSOCHAM: India most resilient of 10 largest economies for 2026–30

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News

In its report 'India's Economic Edge in the Top Ten Economies', the industry body ASSOCHAM ranked India first on macroeconomic resilience for 2026–30 with 71 out of 100 (IANS). China is second with 66, followed by Japan and Russia (60 each), Germany (59), Italy and Brazil (53 each), the UK (52) and France (40), with the US trailing on 36. Using IMF data, the economies were ranked on 10 indicators, including real GDP growth, export growth, current account balance, government debt, fiscal balance, real per-capita GDP growth, gross national savings and gross capital formation. Each rank was converted into marks and added up. India ranked first on real GDP growth, real per-capita GDP growth and gross savings, second on gross capital formation and export growth, and third on debt-to-GDP (IANS). The report also has a retrospective assessment for 2021–25, in which the US (32) was again last (ASSOCHAM report).

Key facts for the exam

Point	Details
Report	'India's Economic Edge in the Top Ten Economies' – ASSOCHAM
Reported	12–13 November 2026 (first reports)
Periods	2026–30 (forward); 2021–25 (past)

Point	Details
Data	IMF World Economic Outlook database
Indicators	10 macroeconomic indicators – resilience score
1. India	71 / 100
2. China	66
3. Japan, Russia	60 each
Last	USA – 36 (France 40)

Background

- Economy: the current account covers trade in goods and services, primary income (interest, dividends) and transfers such as remittances. FDI and external borrowings belong to the capital account.
- Fiscal deficit = total expenditure − non-debt receipts (revenue receipts + non-debt capital receipts); it shows the government's total borrowing need. The FRBM Act was passed in 2003; the N.K. Singh committee (2017) that reviewed it recommended debt-to-GDP as the main anchor (PRS).
- Gross capital formation (GCF) shows a country's investment; gross national savings finance it. When investment exceeds savings, the gap shows up as a current account deficit.
- ASSOCHAM (Associated Chambers of Commerce and Industry of India) was established in 1920 by promoter chambers representing all regions of India; it is headquartered in New Delhi (ASSOCHAM).

Tamil Nadu link: Tamil Nadu is India's second-largest State economy after Maharashtra. RBI data tabled in Rajya Sabha in July 2026 put TN's outstanding debt at ₹10.43 lakh crore, the highest among States (DT Next) – relevant to the report's government-debt indicator. The Tamil Nadu Fiscal Responsibility Act, 2003 requires the fiscal deficit to stay within 3% of GSDP (TN Finance Dept).

Frequently asked questions

What is this news about?

In its report 'India's Economic Edge in the Top Ten Economies', the industry body ASSOCHAM ranked India first on macroeconomic resilience for 2026–30 with 71 out of 100 (IANS).

What are the key facts to remember for the exam?

Report: 'India's Economic Edge in the Top Ten Economies' – ASSOCHAM; Reported: 12–13 November 2026 (first reports); Periods: 2026–30 (forward); 2021–25 (past); Data: IMF World Economic Outlook database.

What is the background to this news?

Economy: the current account covers trade in goods and services, primary income (interest, dividends) and transfers such as remittances.

Practice questions (with answers)

1. 'Gross capital formation' (GCF), one of the report's indicators, mainly measures what in an economy?

A) Investment in physical assets

B) Household savings

C) Government tax revenue

D) Export earnings

Answer: A – Explanation: Investment in fixed assets (machinery, buildings, infrastructure) plus change in inventories. Savings finance it; its share of GDP is the investment rate.

2. Which of the following is NOT part of the 'current account', one of the report's indicators?

A) Trade in goods

B) Interest/dividend income

C) Remittances

D) FDI inflows

Answer: D – Explanation: FDI is in the capital account. Goods and services trade, interest and dividend income and remittances are in the current account.

3. Fiscal deficit is total government expenditure minus what?

A) Non-debt receipts

B) Tax revenue only

C) Interest payments

D) Capital expenditure

Answer: A – Explanation: Non-debt receipts (revenue receipts + non-debt capital receipts). Fiscal deficit minus interest payments is the 'primary deficit'.

4. Who chaired the committee that reviewed the FRBM Act and in 2017 recommended debt-to-GDP as the main fiscal anchor?

A) C. Rangarajan

B) Vijay Kelkar

C) N.K. Singh

D) Bimal Jalan

Answer: C – Explanation: N.K. Singh – general government debt of 60% of GDP by 2023 (Centre 40%, States 20%). Bimal Jalan chaired the RBI economic capital panel (2019).

5. Per RBI data tabled in Rajya Sabha in July 2026, which is the only State whose outstanding debt crossed ₹10 lakh crore in 2025-26?

A) Maharashtra

B) Tamil Nadu

C) Uttar Pradesh

D) West Bengal

Answer: B – Explanation: Tamil Nadu – ₹10.43 lakh crore (2025-26 BE); next come Maharashtra ₹9.37 and UP ₹8.84 lakh crore. Source: RBI's 'State Finances' study.

Sources: ASSOCHAM report/release – assocham.org; IANS, 18 Nov 2026; Business Standard, 12 Nov 2026; PRS (FRBM review committee); RBI – State Finances 2026; DT Next, 29 Jul 2026; TN Finance Dept (TNFR Act). © Shanmugam IAS Academy.