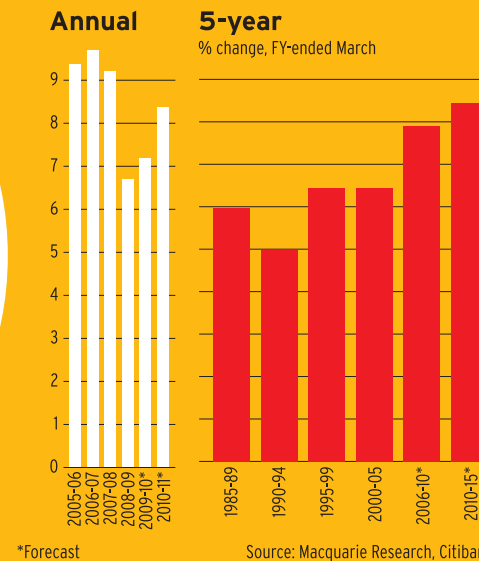


You can bet on better days ahead because when the global economy came tumbling down in the second half of 2008, the government shielded us with a double-barrel dose of higher spending and lower taxes—both of which ensured that consumption, and therefore domestic demand, did not fall. Today the recession is in retreat the world over, production, investment and job creation in India Inc. have revived and household spending shows no signs of slack. Here's your visual journey into the economy you live in.

PUJA MEHRA & KAPIL KASHYAP

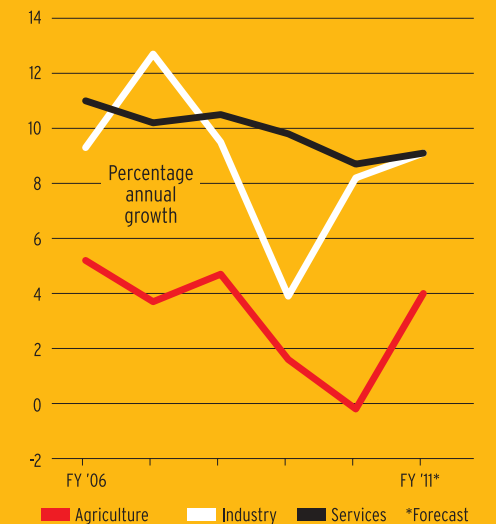
NATIONAL ECONOMY is heading back to 9% growth path...

The GDP growth will rebound...



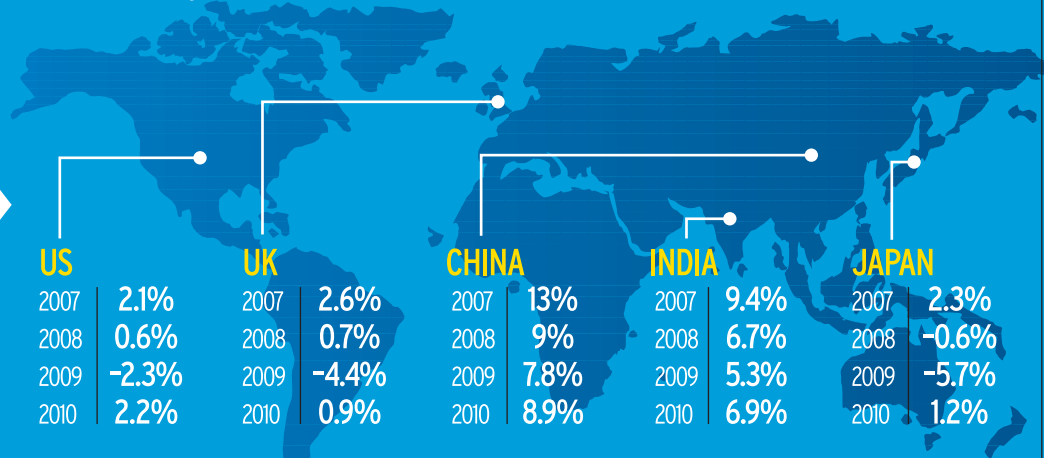
India is likely to be a \$3-trillion economy by 2020—three times today's size.

...With all three sectors of the economy doing well by 2010-11...

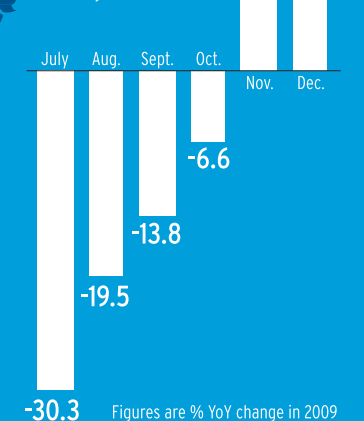


GLOBAL ECONOMY is well and truly out of recession...

Recovery is taking place across the globe...

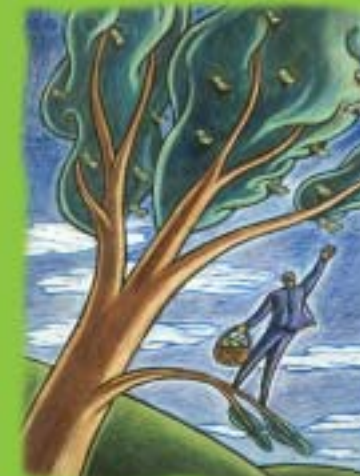
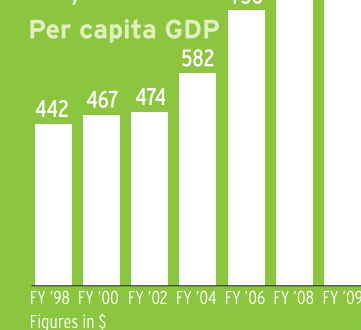


...Which has helped India's export growth turn positive...



HOUSEHOLD ECONOMY is unaffected by the downturn...

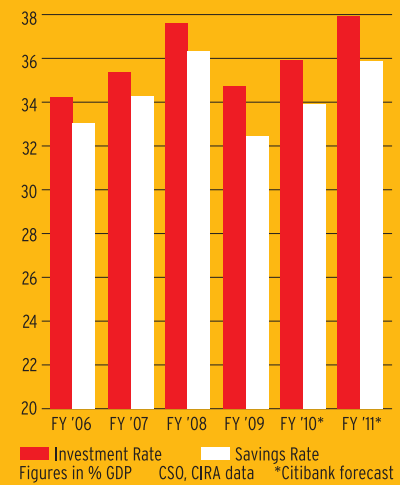
Per capita income has doubled in 10 years...



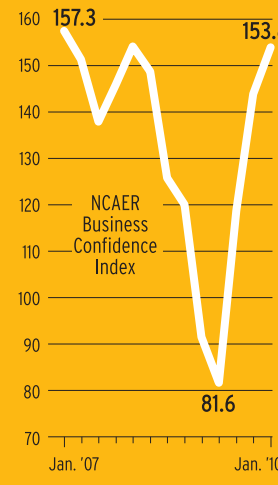
In the coming years, it will take less than 12 years for per capita income to double. Up to the 1980s it took about 60 years for per capita income to double.

ECONOMY IN CHARTS

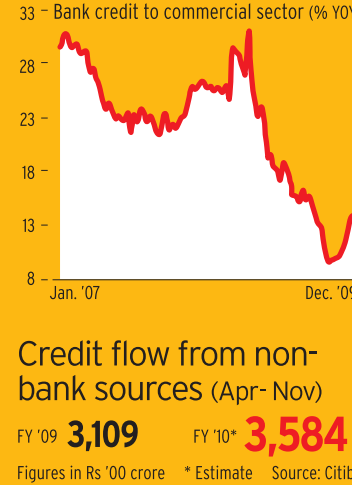
...Both savings and investment rates touching new peaks...



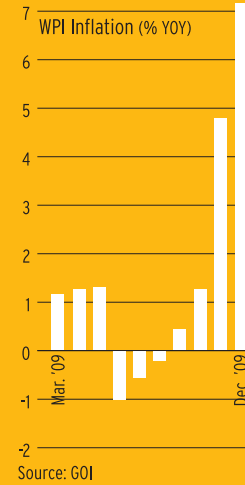
...No wonder, sentiment in India Inc. is high...



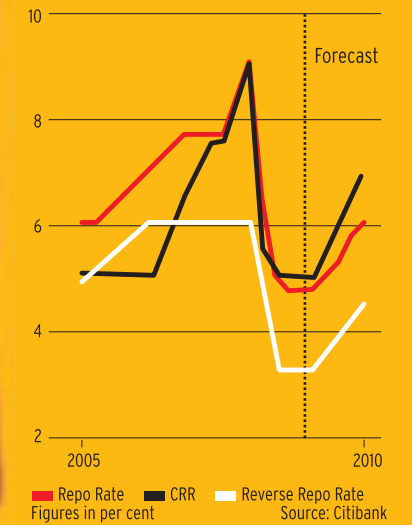
...And businessmen are putting their money where their mouth is...



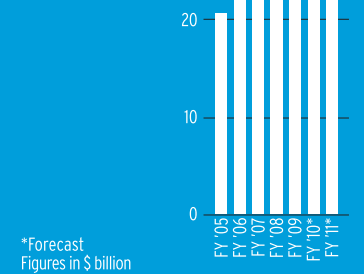
...But inflation will take time to get tamed...



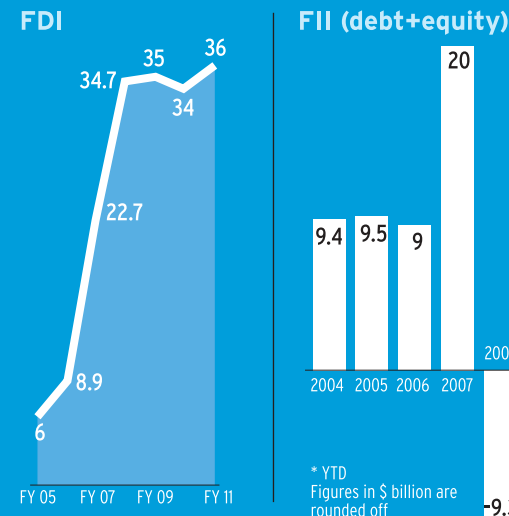
...Which will nudge the interest rates a bit higher.



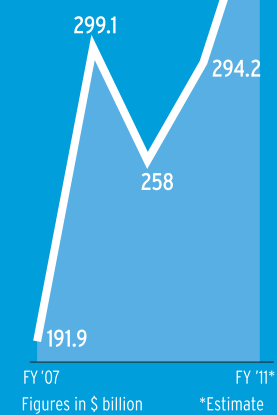
...And overseas Indians keep remitting their earnings home...



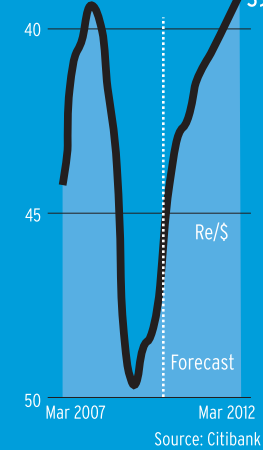
...Foreign investments will continue to flow in...



...Which will swell foreign exchange reserves...



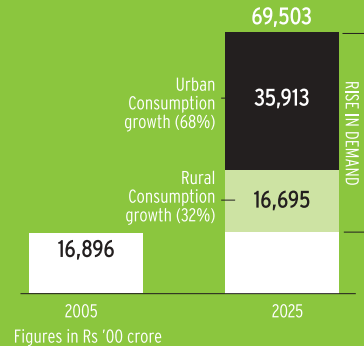
...And lead to appreciation in rupee value.



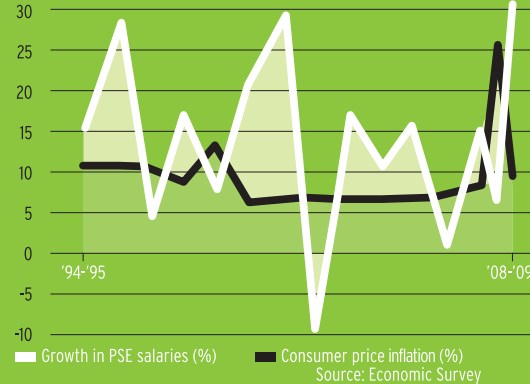
India is projected to become the third-largest economy by 2050, with its GDP growing to \$34 trillion.

PWC Projection

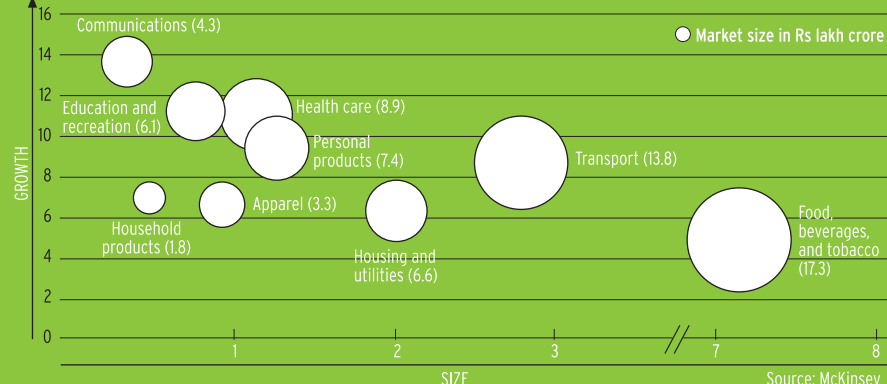
...Consumption levels will rise four times in 20 years...



...Income growth has been way higher than inflation...



...Food will remain the largest consumption category while communication will grow the fastest...



...And consumer demand is buoyant, as is evident from:

- 63%** rise in sales of passenger cars in December 2009.
- 37%** increase in sales of consumer durables in November 2009, fastest growth in 14 years.
- 23%** growth in domestic air traffic in Jan 2010.

Record number of **15 million** new mobile connections a month from Apr. '09 to Jan. '10.

All % growth is over the corresponding month in the previous year; Source: TRAI, Ministry of Civil Aviation, SIAM, ADB India Economic Bulletin