

Recently the market has showing high growth rates and stock market, sensex are at peak. Growth of 8.5.1. is predicted by the World Bank. However due to the ongoing scenario in the world, this growth is expected to be a short-term or a disguised one, as there are some challenges:

- 1) The fiscal deficit is @ 7.5-8.2.1. which reduces government spending.
- 2) The high wholesale and retail inflation rates
- 3) Selling of public sector units.
- 4) Projected growth rate earlier was 12.5.1. whereas now it has reduced from 8.5-9.1.
- 5) In absolute terms our growth rate GDP is back to 2019 level which gives a loss of 2 years

of economy.

6) The banks lending ratio to business people has decreased and the F.D rates have come down drastically which shows the risk people have to start business or invest there.

7) Upcoming state elections and national pressure is forcing government to create 'beel good backward'.

Hence there are certain solutions to these challenges:

- 1) Increase of exports and reduction in imports/raising import duties which gives foreign exchange.
- 2) Appreciating rupee in absolute terms to 2017 levels which will let more foreign exchange flow hence reducing fiscal deficits.
- 3) Leasing out public properties is a good way
- 4) More startups have to be encouraged and NPAs should be extracted out.
- 5) Not signing Paris climate agreement urgently.

Conclusion: G.S.T returns rise shows that people are actually in a good economic condition but we need to be aware about future challenges and exp. dim for more market growth.