

Top 1

India to be 3rd largest economy in next 3 to 4 years

Commerce and Industry Minister recently said India will be the 3rd largest economy in the next 3-4 years while the country's exports would scale the \$ 2 trillion export target by 2030. Addressing the FICCI national executive committee meeting here, Goyal said: "With the rapidly growing start-up India initiative, growing infrastructure, investments in manufacturing which are creating a lot of opportunities for trade, business, jobs and exports. We will be the 3rd largest economy in the next 3-4 years." He also observed that the direction in which India was moving forward deeply resonates with what the industry wanted. India has a lot of untapped potential as the country heads towards becoming a global manufacturing hub. He said that the government was working on getting India into global value chains, creating more and more global capacity centers working out of India so that services exports could be increased further. "The government along with industry remains deeply committed to achieving \$ 2 trillion export target by 2030.

TOP 2

Singapore's Investment company eyes \$10 billion investment in resilient India

As the Indian economy remains resilient on its way to become the world's third-largest one sooner than expected, Singapore's sovereign wealth fund investment company is aiming to invest an additional over Rs 83,000 crore (about \$10 billion) in the country in the next three years. The potential sectors Temasek is eyeing for investment in India are healthcare, consumption, financial services, digitization and sustainability, according to reports. The head of India and strategic initiatives said the new investment will take company total investment in India to a massive \$47 billion. The \$10 billion potential investment excludes what the company subsidiaries will invest in the country, according to the company executive. The investment company has been investing in the country for the last 20 years and its India exposure makes up 7 per cent of its global portfolio by underlying assets, up from 4 per cent in 2020.

Economy

India may soon be the second biggest bond market among emerging economies

The Reserve Bank of India introduced a separate channel called the 'Fully Accessible Route' (FAR) for foreign investors in India's sovereign bonds, effective April 2020. About ₹90,000 crore of money came in via the channel between October 2023 and June 2024, after global investment bank, including India's sovereign bonds in its global indices, according to an SBI Research report dated July 2024. Another \$20 billion to \$22 billion of inflows are likely by March 2025, the report added, as others like Bloomberg and Barclays are expected to add India's government bonds to their own indices tracking global bond markets. "Bond issuances in China totaled 71 trillion yuan (about \$10 trillion) in 2023, PBOC data showed. Going by trends, India should ascend to second largest bond market among EMs," SK Ghosh, Chief Economist at SBI Research, said in the report.

Reforming India's tax culture for better tax to GDP ratio

For India to achieve its economic goal of becoming a developed country by 2047, it must mobilise massive resources to build the nation. This requires increasing tax revenue without overburdening existing taxpayers. Direct taxes play a crucial role in capitalising the exchequer while reducing the burden of indirect taxes. Lower indirect taxes accelerate small businesses and increase consumption, creating a virtuous economic cycle and thereby boosting Gross Domestic Product (GDP). However, India's approach has been to levy high indirect taxes through multiple Goods and Services Tax slabs while offering significant exemptions to individual taxpayers. This strategy, while well-intentioned, has unintended behavioural consequences, with a flattening effect on tax growth, that warrant closer examination.

DIGITALIZATION

UPI Payments Will Soon Be Available For Indian Travellers In Qatar

Traveling to Qatar will become easier for Indians as the Unified Payments Interface (UPI) will soon be introduced in the Gulf nation! You will be able to use UPI's smooth and hassle-free payment facilities in Qatar, eliminating the need to carry a Forex card or change currency. Indian travelers will no longer need to convert their Indian rupee to Qatari Riyal on their vacation as UPI will allow them to pay the service provider in Qatar through your bank account. NPCI International Payments (NIPL) has signed an agreement with Qatar National Bank (QNB) to enable UPI transactions in Qatar. This means that UPI apps and more will be functional in Qatar as well, and Indian travelers will be able to make payments at tourist attractions, malls, restaurants and airports. Qatar is not the first international destination to accept UPI payments, with Sri Lanka, the Netherlands, Switzerland, UAE, Thailand, and others having enabled this hassle-free transaction interface for Indians in the past. International UPI transactions deduct the payment amount in INR from your bank account and convert it to the receiver's currency.

INVESTMENT

Modi's Investment in Pezeshkian's Iran: The Strategic Importance of Chabahar Port

Iran's Chabahar Port is an important infrastructure project developed by India to connect landlocked Afghanistan with the Indian subcontinent and other Central Asian countries. Iran's Ambassador to India, Iraj Elahi, has disclosed that India has committed \$120 million to the Chabahar Port project, specifically for the Shahid Beheshti Terminal. It serves as a crucial transit point for trade with Afghanistan and Central Asia, allowing goods to bypass Pakistan. Additionally, he highlighted that India has set up a \$250 million credit line to support infrastructure development in southeastern Iran. India has decided to provide a \$250 million credit line for infrastructure projects in southeastern Iran. Additionally, under the Chabahar port agreement, India will invest \$120 million. Iran's Ambassador to India, Iraj Elahi, mentioned that interest from Indian investors in Iran is growing, according to an Indian news agency.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.585	-0.001	NIFTY 50	24,613.00	26.30
EURINR	90.882	-0.188	BSE Sensex	80,716.55	51.69
GBPINR	108.2	-0.194			
JPYINR	52.64	-0.2304			