

Top Story 1

India to become world's 4th largest economy by 2025 by overtaking Japan.

Big achievement! India is on track to surpass Japan as the world's fourth-largest economy by 2025, according to Amitabh Kant, India's G20 Sherpa and former CEO of Niti Aayog. According to Kant, based on several positive macroeconomic indicators. India's GDP currently ranks fifth, following the United States, China, Germany, and Japan, having overtaken the United Kingdom in 2022. India's economic growth has been remarkable, considering that just ten years ago, its GDP was the eleventh largest globally. At present, the country's GDP is estimated to be around \$3.7 trillion. According to an ANI report, Kant has highlighted several key factors contributing to India's ascent from being part of the "Fragile 5" in 2013 to becoming one of the top 5 economies in 2024. These factors include record GST collection, consistent GDP growth of over 8% in the past three quarters, the use of the Indian Rupee for trading with 27 countries, and manageable inflation levels.

Top Story 2

East has potential to drive India's growth: Finance minister Nirmala Sitharaman

Finance Minister Nirmala Sitharaman emphasized the potential of eastern India as a growth engine, urging Jharkhand to tackle corruption for industrial development. Speaking in New Delhi , Sitharaman criticized the state's governance, highlighting issues of lawlessness and migration. She stressed that a mineral-rich state like Jharkhand must address rampant corruption to attract businesses effectively. Sitharaman assured equitable treatment, mentioning increased budgetary allocations for Jharkhand's rail projects. She pointed out the importance of industrialization in the eastern region, emphasizing its potential to drive the country's growth. Sitharaman's remarks underscored the need for Jharkhand to improve its governance and create a conducive environment for industrial development. She also highlighted the significance of infrastructure projects, particularly in the railway sector, to support the region's economic growth.

Finance: -

A next – gen Banking company launches Digital Credit as a Service offering

Banking technology provider has announced the launch of its Digital Credit as a Service offering for banks and financial institutions in India. Following this announcement, the offering will be underpinned by NPCI's Credit Line on UPI scheme, which will leverage the power of the UPI network in order to accelerate the development of credit issuance in the region of India. In addition, the company will focus on meeting the needs, preferences, and demands of customers and clients in an ever-evolving market, while also prioritising the process of remaining compliant with the regulatory requirements and laws of the industry. According to the official press release, Zeta estimates that the transaction volume on this strategy is set to exceed USD 1 trillion by 2030, while also aiming to capture 50% of this market opportunity with its end-to-end service. This solution is expected to improve the manner in which banks and financial institutions develop and rapidly launch multi-form credit products.

Market: -

Indian Rupee to remain steady in near-term

While the Rupee closed broadly unchanged in April, it briefly touched a record low during the month. Outflows of funds by foreign portfolio investors (FPIs) and the strength of the US dollar have kept the domestic currency under pressure. Even in May, it continued to trade in a tight range of 83.43-83.52 per US dollar amidst a lack of FPI inflows and dollar demand from oil companies, according to a report by the Indian Banks. The Indian Rupee closed nearly flat at 83.50 against the US dollar, tracking subdued moves in its Asian peers. "We expect INR to remain range-bound in the near-term supported by RBI's two-way intervention. Over the longer term we continue to believe that the USD/INR is likely to appreciate," the report noted. The steadiness in the Rupee could be attributed to likely intervention by the RBI. RBI intervenes in the foreign exchange market, from time to time, to defend the uneven depreciation in the rupee against a surging US dollar. It intervenes in the market through liquidity management, including through the sale of dollars, to prevent a steep depreciation in the rupee.

Digitalization: -

Paytm focuses on UPI Lite Wallet for low-value daily payments

India's Multinational technology company , which owns leading payments and financial services company Paytm, recently, said that it is now focusing on UPI Lite wallet to move the users who prefer wallet for low-value everyday payments. India's Online payment platform UPI Lite will act as an on-device wallet, allowing users to store funds and make payments on the go. It is designed for fast, secure, and reliable payments, allowing users to make instant, fail-proof transactions of up to Rs 500 each. "We see the wallet as an essential payment tool that lets users keep money for everyday use and make quick payments on the go. India's Online payment platform UPI Lite improves this experience, allowing for faster transactions at local stores, street vendors, and regular purchases while keeping bank statements clear," a India's Online payment platform spokesperson said.

Investment: -

Taiwan eyeing India as a promising Investment destination

If Narendra Modi becomes the prime minister for the third term in June 2024, India will continue to expand ties with major powers, including the US and Russia, and will aim to become “Vishwa Bandhu” – a friend to the world, said eminent diplomats and experts. The National Symposium on “New Directions in India’s Foreign Policy – Modi 3.0” focused on mapping the contours of India’s foreign policy under a potential Modi 3.0 government/the next government in India. Prominent experts, who participated in the conference predicted a rise in India’s international order, the growth in GDP to \$7 trillion and greater recognition of the country’s soft power as key goals of the potential Modi 3.0 government. “Russia will continue to be an important partner for India. There will be a summit meeting between Prime Minister Modi and President Putin in 2024,” Kanwal Sibal, India’s former ambassador to Russia and a former foreign secretary, told the conference. The last annual summit between the leaders of India and Russia was held in New Delhi in December 2021.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.503	-0.003	NIFTY 50	22,128.40	24.35
EURINR	90.066	0.032	BSE Sensex	72,844.05	67.91
GBPINR	104.849	-0.028			
JPYINR	53.40	-0.0228			