

## Top Story 1

### India Expands UPI to Include More Rural, DBT Users

Multiple banks, including the Reserve Bank of India, are actively urging people who receive government-direct benefit transfers (DBTs) to use the Unified Payments Interface (UPI) for their transactions. This program is part of a larger plan to get more people to use digital payments instead of cash. A lot of people in rural areas are getting direct benefits from DBT plans because the National Payments Corporation of India (NPCI), which runs UPI, is adding district and rural cooperative banks to its platform so that rural customers can use digital payment services. Even though 300 million people use UPI, the 960 million people in India who use debit cards show that there is a much bigger, open market. This difference shows that digital payments have a lot of room to grow across the country. At the moment, UPI handles more than 13 billion transfers every month, most of which happen in cities and parts of cities. The goal is to use this approach all over rural India so that everyone has access to money.

<https://www.gktoday.in/india-expands-upi-to-include-more-rural-dbt-users/>

## Top Story 2

### Indian economy projected to expand at 6.6% in FY25

The Ratings recently projected a 6.6% expansion for the Indian economy in FY25, attributing it to robust economic growth. This positive outlook isn't just good news for India; it's also set to boost the profitability of the Non-Banking Financial Company (NBFC) sector. The agency underlined that strong credit demand, fueled by the country's economic vigor, will be a key driver in this regard. With the economy poised for growth, NBFCs are expected to experience increased demand for credit, translating into improved profitability. This uptick in credit demand reflects confidence in economic prospects, fostering a conducive environment for financial institutions to thrive. Moreover, as NBFCs play a vital role in extending credit to sectors that traditional banks might not reach, their performance is crucial for broad-based economic growth. Moody's assessment underscores the resilience and potential of NBFCs in contributing to India's economic expansion. Overall, Moody's positive outlook signals a promising trajectory for both the Indian economy and the NBFC sector, painting a picture of growth and prosperity ahead.

## **Economy: -**

### **India's dilemma: A growing economy and growing unemployment**

India is on its way to becoming the third-largest economy in the world, yet unemployment among young people with graduate degrees is at an all-time high. The good news is India is the fastest-growing major economy in the world, on course to overtake Germany and Japan in the next five years in aggregate GDP. It will become the third-largest global economy after the US and China. However, there is a concern that the benefits of fast GDP growth are being undermined by low job growth and an accompanying pro-rich bias. Unemployment among young people with graduate degrees is at an all-time high of 29 per cent, and overall youth unemployment is hovering around 10 per cent. This has prompted some young Indians to travel to war zones in search of employment and higher income opportunities.

<https://thefederal.com/category/business/indias-dilemma-a-growing-economy-and-growing-unemployment-122445?infinitemscroll=1>

**Market: -**

# Rupee Rises 5 Paise To ₹ 83.46 Against US Dollar

The rupee appreciated 5 paise to settle at 83.46 against the US dollar as weakness in the greenback against major crosses overseas supported the local unit. However, sustained foreign fund outflows and a weak trend in domestic equities weighed on the local unit. At the interbank foreign exchange market, the local unit opened at 83.49. During the session, it traded in a narrow range of 83.51-83.46. The domestic unit finally settled at 83.46, a gain of 5 paise against its previous close. "The Indian rupee remained range bound...as FPIs remained US dollar buyers before the crucial election results on June 4, 2024. The Indian rupee is expected to remain in a range of 83.40 to 83.60 on Thursday, as FPIs continue their buying and the RBI continues its selling," Anil Kumar Bhansali, Head of Treasury and Executive Director Finrex Treasury Advisors LLP, said.

<https://www.ndtv.com/business-news/rupee-rises-5-paise-to-rs-83-46-against-us-dollar-5672450>

## **Digitalization: -**

### **India's online payment platform collaborates with LankaPay to promote UPI payments in Sri Lanka**

Fintech major India's Online payment platform has collaborated with Sri Lanka-based LankaPay to enable Unified Payments Interface (UPI) transactions for the company's users in the island nation. The Bengaluru-based fintech's users travelling to Sri Lanka can make payments using Unified Payments Interface's (UPI) rails across LankaPay's merchants throughout the country. Users will transact in Indian Rupees (INR), and will see currency exchange rates levied on such transactions. Apart from the National Payments Corporation of India's (NPCI) UPI, these transactions will be facilitated by the LankaPay National Payment Network. LankaPay is owned by the Central Bank of Sri Lanka. The launch of the payments service in the country's capital saw the participation of Santosh Jha, the High Commissioner of India to Sri Lanka, and Dr. Nandalal Weerasinghe, Governor of the Central Bank of Sri Lanka (CBSL), among others.

[https://www.business-standard.com/companies/news/phonepe-collaborates-with-lankapay-to-promote-upi-payments-in-sri-lanka-124051501453\\_1.html](https://www.business-standard.com/companies/news/phonepe-collaborates-with-lankapay-to-promote-upi-payments-in-sri-lanka-124051501453_1.html)

## Investment: -

# London's Fintech Farm expands to India with a fresh \$32m investment

The company, which offers technology solutions to mid-sized banks in emerging markets, enabling them to develop digital banking tools, secured this capital through a Series B funding round, according to a report from Sifted. The funding was led by Nordstar, a London-based venture firm, followed by an extension from the London Stock Exchange-listed Bank of Georgia. Fintech Farm's primary service involves partnering with banks in emerging markets to build neobank applications. Fintech Farm provides comprehensive operational support through its 'neobank in a box' model, which includes essential digital banking services like debit and credit cards, and investment options. The funds from this latest round will be used to launch and expand the company's fintech products in India. This move aims to enhance consumer access to credit in a market burgeoning with digital payment systems and intense competition.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.463	0.046	NIFTY 50	22,320.25	119.65
EURINR	90.859	0.074	BSE Sensex	73,364.19	369.32
GBPINR	105.92	0.089			
JPYINR	54.19	0.3357			