

Top Story 1

China welcomes more Indian investments, ambassador says

China would welcome more Indian investments and commodities in the Chinese market and also hopes that India will provide a "sound business environment" for Chinese firms in the country, Beijing's ambassador to India, Xu Feihong, said on Thursday. The comments signal a willingness from Beijing to forge deeper economic ties with New Delhi that have been strained since a deadly clash between their troops on a Himalayan frontier in 2020. India heightened scrutiny on Chinese investments after the clash and created new layers of red tape for Indian firms with Chinese stakeholders. But the Indian government is now looking to loosen some of these restrictions as its firms struggle to scale up manufacturing.

Top Story 2

India's UPI driving 45% of global digital payments: Nirmala Sitharaman

Union Finance Minister Nirmala Sitharaman, while highlighting India's success in the FinTech sector, said that India's UPI drives 45 per cent of global digital payments and stated that no borders are big enough or strong enough to restrict the reach of the digital economy. Speaking at the 90th anniversary celebration of the Bank of Maharashtra (BOM) at Hotel JW Marriott in Pune, Sitharaman praised UPI as a transformative innovation, urging banks to explore deeper opportunities. Underscoring Prime Minister Narendra Modi's vision to achieve the goal of viksit bharat (developed India) by 2047, Sitharaman outlined the three pillars — economic growth, social progress, and environmental sustainability, emphasising the crucial role of robust banking support in driving this agenda. "The banks will have to play a crucial role in driving the agenda, and through their role, we can give greater momentum towards this goal. UPI is spreading its wings and you can thrive along with them," she said.

Banking: -

Banks to set up a Unified Recovery Interface to enhance efficiency

Eying benefits from digital banking, banks are now looking at building Unified Recovery Interface (UPI) for enhancing efficiency, reducing costs and getting good prices for properties of defaulters. This would be managed by public sector bank, a company set up by all public sector banks in the country, chairman, Indian Banks' Association (IBA), said: "Till now we had Unified Payment Interface (UPI), a product developed by National Payment Corporation Ltd (NPCI). The second leg that is coming is Unified Lending Interface (ULI). There is a thought process in bank that after the payment and lending side, the important aspect that is left out is recovery." With the bank balance certificate process in place, now Unified Recovery Interface will come through them. This will give comfort to bankers that when they lend this, the process will run for the recovery also, so there may not be many challenges in collection management. This will bring down the cost of collections, said.

Finance: -

India handled inflation much better than US, Germany and France: SBI Report

India has demonstrated a largely successful inflation targeting regime compared to advanced economies such as the USA, Germany, and France, according to a research report by the State Bank of India (SBI). The report credits government initiatives, the RBI, and banks for addressing these issues over the past decade, allowing for better policy transmission and improved inflation management. "The success of Inflation Targeting in India is largely a byproduct of a vibrant financial ecosystem where RBI, Government and the Banks are working closely in unison in ushering in market reforms" said the report. The report highlighted that India experienced minimal deviations from its inflation targets between 2021 and 2024, setting it apart from other global economies facing greater inflationary challenges.

Market: -

Indian rupee strengthens above 83.50/USD for first time in over two months

The Indian rupee rallied on Friday to climb above 83.50 per U.S. dollar for the first time since late July, boosted by dollar sales by foreign banks and a rise in most of its Asian peers. The rupee was at 83.4850 against the U.S. dollar as of 12 noon IST, its strongest level since July 2024. The currency was up 0.2% on the day and on course to post its best single day since May 2024. Two-large U.S. based banks have been "present on offer (on USD/INR)," since early in the session, likely on behalf of custodial clients, a foreign exchange trader at a state-run bank said. Indian benchmark equity indices scaled record highs on after an outsized interest rate reduction by the U.S. Federal Reserve on Wednesday and the anticipation of a soft landing for the world's largest economy boosted risk appetite.

Investment: -

India Secures \$387 Bn In Renewable Energy Investment Pledges

India's fourth Global Renewable Energy Investors Meet and Expo made history, securing investment commitments totalling \$387.37bn (INR32.45 lakh crore) by 2030. Announced by Minister for New and Renewable Energy Pralhad Joshi, the event saw developers pledge to add 570 gigawatts (GW) of renewable capacity, while manufacturers committed to significant increases in production capacity. Among these manufacturing commitments are 340 GW in solar modules, 240 GW in solar cells, 22 GW in wind turbines, and 10 GW in electrolyzers. The pledges came from a broad range of stakeholders, including developers, banks, and state governments, formalised through "shapath patras."

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.967	0.025	NIFTY 50	24,156.20	-190.8
EURINR	92	-0.0935	BSE Sensex	79,044.81	-604.11
GBPINR	107.398	0.247			
JPYINR	56.8018	-0.1863			