

Top Story 1

GDP growth for 2024-25 projected at 6.4%

The latest FICCI Economic Outlook Survey projects India's GDP growth for 2024-25 at a robust 6.4%, reinforcing the country's position as one of the fastest-growing major economies in the world. While slightly lower than the 7.0% forecast in September 2024, this growth reflects a strong economic foundation following the impressive 8.2% achieved in 2023-24. The agricultural sector, including allied activities, is expected to grow steadily at 3.6%, while the industry and services sectors are set to expand at a healthy pace of 6.3% and 7.3%, respectively. Economic momentum is predicted to accelerate in the latter half of the fiscal year, fueled by increased public capital expenditure, festive demand, and the resumption of industrial activity post-monsoon. Additionally, the survey highlights a positive inflation outlook, with the Consumer Price Index (CPI) forecast at 4.8%—comfortably aligning with the Reserve Bank of India's projections, ensuring price stability and continued consumer confidence.

Top Story 2

Investing in Rural India: Tapping into a structural growth wave

The landscape of rural India is undergoing a profound transformation. Traditionally, an agriculture-driven economy, rural India is now seeing the growth of other sectors like manufacturing, construction, and trade. This diversification is playing a crucial role in driving the region's development. Today, nearly 99% of Indian villages are connected with roads, bridges and electricity, contributing to an improved standard of living. Mobile connectivity has reached its peak, and access to education and healthcare continues to improve. The literacy rate is at an all-time high, while the average per capita income has crossed \$2,000, creating a growing disposable income and leading to a surge in rural consumption.

Tax

Indian Industry Seeks Tax Reforms in Upcoming Budget

Ahead of the national budget presentation in February, Indian industries are advocating for measures to boost economic growth, which is projected to hit a four-year low. Key proposals include income tax cuts and incentives for electronics manufacturers. The Confederation of Indian Industry (CII) recommends reducing fuel and income taxes, increasing benefits under state-backed schemes, raising farmer cash handouts, and offering consumption vouchers to low-income groups. Other suggestions include simplifying tax rules, providing capital gains tax relief, and maintaining high infrastructure spending, with a proposed 25% increase in the next fiscal year. These measures aim to stimulate economic growth and reduce reliance on foreign entities.

Economic

Regulatory Reforms Encourage Startups to Return to India

India has reformed its compliance procedures, making it easier for foreign-based companies to merge with domestic subsidiaries. This change shortens the process from over a year to just a few months, encouraging Indian startups domiciled abroad to return home. The move aims to capitalize on the robust IPO market in India, which has seen significant increases in funds raised. Several startups are in advanced stages of this process, preparing to complete their return to India. The regulatory simplification aims to provide these companies with quicker access to the thriving Indian IPO market, promising better valuations and a more supportive regulatory environment.

Investment

Green Investments in India to Surge Fivefold by 2030

India is set to witness a significant fivefold increase in green investments, reaching Rs 31 lakh crore between 2025 and 2030, according to a Crisil report. Achieving this growth will require measures such as enhanced grants and incentives, expansion of blended finance with multilateral agencies, supportive policies, development of carbon markets, and progress in industrial decarbonization. Of the anticipated investments, Rs 19 lakh crore is expected to be directed toward renewable energy and storage, Rs 4.1 lakh crore into the transport and automotive sectors, and Rs 3.3 lakh crore into oil and gas. As one of the fastest-growing major economies, India has a unique opportunity to align its developmental goals with environmental priorities. With rising energy demands, a well-balanced transition toward achieving net-zero emissions will be essential for sustainable growth.

Digitalization

Budget 2025 May Boost UPI Accessibility and Digital Payment Infrastructure

As the Union Budget 2025 approaches, the digital payments industry is optimistic about reforms aimed at enhancing financial inclusion and strengthening India's fintech ecosystem. Experts are advocating for improved digital payment infrastructure and extending Unified Payments Interface (UPI) benefits to businesses, fostering a seamless experience for both enterprises and consumers. Currently, only 6.3% of India's 64 million businesses are digitized, highlighting significant potential for expansion. Proposals include streamlining compliance norms for digital payments and introducing incentives to expand UPI penetration into global markets, positioning India as a leader in the fintech space. These reforms aim to drive innovation while ensuring strong consumer protections. Additionally, a focus on expanding digital payment infrastructure in rural and semi-urban areas is expected to accelerate financial inclusion and economic growth.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	86.593	0.023	NIFTY 50	23,130.80	176
EURINR	89.117	0.083	BSE Sensex	76,377.23	659.77
GBPINR	105.77	0.229			
JPYINR	0.5565	0.0016			

