

Top Story 1

Digital transformation fueling India's economic growth and inclusion

In 2025, India is projected to become the fourth largest economy by GDP. Amid global challenges, India's economy remains resilient, presenting an opportunity to redefine its global role and establish new standards for economic leadership. India's dramatic digital transformation has empowered millions through a digital infrastructure [India Stack], democratising data, identity, and payments. This revolution underpins economic growth, but momentum needs to be accelerated to achieve the \$30 trillion 'Viksit Bharat' vision by 2047. A sharp focus on key drivers will fuel India's rise to global economic leadership. India's demographic dividend is a unique asset, with over 65 per cent of its population between 15-64 years, set to enter the workforce by 2030. To achieve the 2047 Viksit Bharat target, "skilling" has been identified as a key growth driver for sustainable development.

Top Story 2

Growth of small finance banks in India projected to reach 20-23% in FY26

The growth of small finance banks (SFBs) in the country is set to reach 20-23 per cent in FY26 from 18-20 per cent in FY25, a report showed recently. From a funding perspective, the SFBs have been gradually increasing the share of current account and savings accounts (CASA) deposits over the years and the same stood at around 28 per cent as of the end of September 2024, according to credit rating agency ICRA. The credit-deposit (CD) ratio stood at 89 per cent as of September 2024, which at present is comparable to the private sector bank average. In line with the trend seen in universal banks, there has been a move towards term deposits offering higher interests and the trend is likely to continue over the near term, said the report.

Banking: -

Tech-Enabled Lending Solutions Reshaping India's Non-Banking Finance Landscape

The Non-Banking Financial Companies (NBFCs) sector in India has rapidly grown, becoming a key player in serving underserved populations, including SMEs and economically disadvantaged groups. Segments like housing, microfinance, and consumer finance have driven this growth, supported by a rising middle class, financial inclusion, and favourable policies. Companies like Credila, Unico Housing Finance, and Muthoot FinCorp are leveraging digitization—especially super apps—to efficiently reach and serve diverse borrowers across vast geographies. By harnessing AI, machine learning, and cloud computing, they are streamlining processes, speeding up lending cycles, and helping more citizens achieve their financial goals.

Finance: -

PM Modi Praises UPI Setting Global Benchmark in Fintech at Debut Podcast

Hon'ble Prime Minister Narendra Modi, speaking with Zerodha co-founder on People by WTF, hailed the Unified Payment Interface (UPI) as a marvel that has captured global attention. PM Modi emphasized how India has set an example in democratizing fintech innovation, making technology accessible and transformative for millions. "When global leaders visit, they frequently ask how UPI works. I often suggest they see it in action at any vendor stall," PM Modi remarked. He underlined the power of UPI in reshaping digital payments globally and eliminating inefficiencies in financial systems. Discussing the broader implications of digital financial systems, the Prime Minister credited initiatives like Jan Dhan accounts and UPI for driving financial inclusion and transparency. "Through direct benefit transfers, billions once lost to corruption are now saved," he noted, reinforcing how technology-backed governance is empowering citizens and fostering trust.

Investment: -

Free Trade Agreement talks with India have been relaunched: UK

The UK government on Tuesday told Parliament that the Free Trade Agreement (FTA) talks with India have been relaunched to deliver a joint ambition of taking the bilateral relationship to "even greater heights". During a debate on UK economic growth in the House of Commons, British Indian Labour MP Jeevun Sandher asked Foreign Secretary David Lammy about the steps being taken to get a "good UK-India trade deal over the line". Describing 2025 as an "exciting year" for the UK's trading relationship with India, the co-chair of the India All Party Parliamentary Group (APPG) flagged the "exchange of green technologies to help prevent and reduce the warming of our planet" among the areas of focus.

Economy: -

Startup India: Catalysing economic growth and innovation

India has earned its place as the 3rd largest startup hub globally, with over 100 unicorns shaping the future of innovation and entrepreneurship. Recognised as a powerhouse of entrepreneurial spirit, the country boasts of 157,066 startups acknowledged by the department for promotion of industry and internal trade (DPIIT) with more than 1.6 million jobs created. Over the last decade, the entrepreneurial landscape in India has undergone a paradigm shift, transforming cities like Bengaluru, Hyderabad, Mumbai, and Delhi-NCR into vibrant epicentres of innovation. This transformation has been fuelled by widespread access to affordable internet, a young and dynamic workforce, and the emergence of startups across diverse sectors, including fintech, edtech, healthtech, and e-commerce. Recognising the immense potential of startups to drive economic and societal change, the central government has introduced a series of forward-thinking initiatives to support and nurture entrepreneurship.

Currency	Rate (Rs)	Change	Index	Change
USDINR	86.479	-0.046	NIFTY 50	0.55
EURINR	89	-0.213	BSE Sensex	76.843.30
GBPINR	105.333	-0.366		343.66
JPYINR	0.5501	0.0023		

