

Top Story 1

India to remain fastest growing economy in 2025 & 2026, while global growth to decline

India is projected to remain the fastest-growing economy among a global group of nations, according to a leading investment committee's recent outlook. The country's real GDP is forecast to grow at 5.9% in one year and accelerate further to 6.4% the next year. This strong growth is set against a backdrop of slowing global economic activity, with worldwide GDP expected to decelerate due to synchronized trade shocks impacting several countries simultaneously. Despite these global headwinds, India's economic momentum remains resilient, underpinned by robust domestic demand and investment. Although domestic equity markets are currently viewed as relatively expensive by historical standards, steady retail and institutional investment flows are expected to sustain elevated valuations. This optimism reflects confidence in the structural strength of India's economy, its expanding middle class, and an increasingly digitized financial ecosystem. Overall, India stands out as a beacon of growth, resilience, and investor interest amid a slowing global environment.

<https://economictimes.indiatimes.com/news/economy/indicators/india-to-remain-fastest-growing-economy-in-2025-2026-while-global-growth-to-decline-morgan-stanley/articleshow/122172107.cms?from=mdr>

Top Story 2

Digital India: A Decade Later, PM Modi Reflects On Nation's Tech Transformation

India's digital transformation journey over the past decade has redefined governance, service delivery, and economic inclusion for millions. Initially, with limited internet access and low digital literacy, doubts were raised about whether such a vast and diverse nation could truly adopt digitalization. Yet, the vision to democratize technology and create equal opportunities led to the launch of a mission that aimed to build inclusive digital infrastructure and empower every citizen. A key enabler in this shift has been a robust digital framework that has facilitated widespread usage of digital platforms. For instance, digital payment systems now handle billions of real-time transactions annually, positioning India as a global leader. Welfare distribution has also been transformed through direct benefit transfers, eliminating intermediaries and significantly reducing leakage. This evolution underscores a strong commitment to leveraging digital tools for inclusive growth, transparency, and efficiency in public services. The journey highlights a model of scalable and citizen-centric digital innovation.

<https://news.abplive.com/business/digital-india-turns-10-pm-narendra-modi-internet-inclusion-startups-economy-common-man-1784301>

Economy

Indian economy remains a key driver of global growth amidst global challenges

Despite an uncertain and challenging global economic backdrop, the Indian economy remains a key driver of global growth — underpinned by sound macroeconomic fundamentals and prudent macroeconomic policies, RBI said in its latest Financial Stability Report. Elevated economic and trade policy uncertainties are testing the resilience of the global economy and the financial system. Financial markets remain volatile, especially core government bond markets, driven by shifting policy and geopolitical environment. Alongside, existing vulnerabilities such as soaring public debt levels and elevated asset valuations have the potential to amplify fresh shocks,” the highlights of the RBI report read. The domestic financial system, according to the RBI, is exhibiting resilience fortified by healthy balance sheets of banks and non-banks. Financial conditions have eased, supported by accommodative monetary policy and low volatility in financial markets. The soundness and resilience of scheduled commercial banks (SCBs) are bolstered by robust capital buffers, multi-decadal low non-performing loans ratio and strong earnings,” RBI said in its report. In the banking sector, results of macro stress tests affirm that most SCBs have adequate capital buffers relative to the regulatory minimum even under adverse stress scenarios. In 2023-24, India’s GDP grew by an impressive 9.2 per cent, continuing to be the fastest-growing major economy.

<https://www.indianarrative.com/economy-news/indian-economy-remains-a-key-driver-of-global-growth-amidst-global-challenges-rbi-report-171999.html>

Market

Indian banking sector robust with record-high capital buffers, non-performing loans ratios at multi-decade lows

India’s banking system continues to demonstrate strength and stability, according to the latest Financial Stability Report. Capital buffers have reached record highs, and non-performing loan (NPL) ratios are at multi-decade lows, indicating improved operational health across the sector. Macro stress tests confirm the banking sector's resilience under adverse scenarios. The non-banking financial sector also shows enhanced asset quality and solid capital positions. Interconnectedness among financial entities continues to grow steadily, driven by increasing bilateral exposures. Forecasts suggest that growth will remain healthy in the coming years, and the gross bad loan ratio, currently low, is expected to rise only slightly. The capital to risk-weighted assets ratio (CRAR) for scheduled commercial banks has reached an all-time high, reflecting strong financial management. Financial regulators remain focused on protecting consumers, encouraging competition, and supporting innovation while maintaining systemic safety and efficiency. Overall, India’s financial system is well-positioned to support sustainable economic expansion.

<https://economictimes.indiatimes.com/news/economy/policy/indian-banking-sector-robust-with-record-high-capital-buffers-non-performing-loans-ratios-at-multi-decade-lows-rbi/articleshow/122161240.cms?from=mdr>

Finance

Financial stability report: Indian economy continues to grow at a healthy pace

India’s economy continues to grow at a healthy pace, remaining a key contributor to global growth due to strong macroeconomic fundamentals and prudent policy measures. According to the latest financial stability assessment, despite an uncertain and challenging global environment, India has maintained its economic momentum. The financial system has shown resilience even as global markets remain volatile, driven by policy shifts and geopolitical tensions. The report highlights concern around elevated public debt and high asset valuations, noting that these factors could amplify potential shocks. Key near-term risks include geopolitical conflicts, capital outflows, and disruptions to global trade, which could impact domestic financial stability. Despite these external challenges, India’s financial markets remain stable, and the economy is well-positioned to withstand global headwinds. This performance underscores the effectiveness of policy interventions aimed at strengthening the economy and ensuring sustained growth while safeguarding financial stability in an evolving global landscape.

<https://timesofindia.indiatimes.com/business/india-business/financial-stability-report-indian-economy-continues-to-grow-at-a-healthy-pace-rbi-says-financial-system-resilient-amid-global-headwinds/articleshow/122161516.cms>

Digitalization

10 Years of Digital India: Transformation of Bharat from a Digitally Divided Nation to World’s Digital Capital

Over the past decade, India has undergone a remarkable digital transformation, evolving from a digitally divided society into a global digital leader. Previously, limited access to technology widened economic disparities and slowed national progress. However, the launch of focused digital initiatives helped bridge this gap, empowering citizens through widespread access to digital infrastructure. Today, India ranks among the top three most digitalized economies globally, reflecting its rapid advancement across sectors. The digital economy has become a key driver of growth, contributing significantly to national income and poised to outpace traditional sectors like agriculture and manufacturing. With expanding internet access, e-governance platforms, and digital financial services, the benefits of technology are now reaching even the remotest regions. This shift has enhanced transparency, improved ease of living, and empowered individuals and businesses alike. India’s journey stands as a global example of how inclusive digitalization can drive sustainable and equitable economic development.

<https://www.babushahi.com/opinion.php?oid=1986>

| Metric | 30th June 2025 | 01st July 2025 | Change | Metric2 | 30th June 20253 | 01st July 20254 | Change5 |
|--------|----------------|----------------|--------|------------|-----------------|-----------------|---------|
| USDINR | 86.01 | 86.18 | 0.17 | NIFTY 50 | 25710 | 25840 | 130 |
| EURINR | 98.72 | 99.1 | 0.38 | BSE Sensex | 84320.55 | 84690.2 | 369.65 |
| GBPINR | 117.95 | 118.25 | 0.3 | | | | |
| JPYINR | 59.75 | 59.88 | 0.13 | | | | |

