

## Top Story 1

### **India's services activity hit 10-month high in June**

India's services sector output rose to a 10-month high in June, driven by strong sales growth, rising new order intakes, and improving demand conditions. A recent private survey revealed that the seasonally adjusted Services Business Activity Index climbed significantly, remaining well above the neutral 50-mark that signals expansion. The uptick was supported by robust domestic demand and a marked increase in new export business. New orders grew at the fastest rate in several months, indicating continued momentum in the services sector. Additionally, the expansion in export orders ranked among the strongest on record, reflecting India's growing competitiveness in global markets. Encouragingly, price pressures softened, with both input costs and output charge inflation easing compared to the previous month. These developments suggest a more favorable operating environment for service providers, underpinned by resilient market fundamentals and improving international demand. Overall, India's services sector continues to play a key role in driving broader economic growth.

<https://www.livemint.com/economy/india-services-pmi-10-month-high-june-11751521813569.html>

## Top Story 2

### **India's services sector accelerates to a 10-month high of 60.4 in June on healthy demand**

India's services sector experienced a notable rise in growth momentum, with the services activity index reaching its highest level in ten months. The index accelerated from the previous month, indicating a strong expansion in business activity. This surge was driven by robust demand conditions and easing price pressures, reflecting a healthy environment for service providers. Both output and new order inflows recorded their fastest growth since recent months, with firms reporting strong support from domestic demand as well as a significant rise in export business. Companies noted improved international sales, particularly from several global markets. Employment in the sector continued to increase, supported by the growing workload. The data signals that India's services sector ended the fiscal quarter on a solid note, with businesses optimistic about future demand. Overall, the strong performance points to continued resilience and vitality in the services domain, contributing positively to the broader economic landscape.

<https://www.financialexpress.com/policy/economy-indias-services-sector-accelerates-to-a-10-month-high-of-60-4-in-june-on-healthy-demand-pmi-3901426/>

## Economy

### India emerging as the fastest-growing economy globally

India is projected to remain the fastest-growing economy over the next two years, even as global growth slows. A recent global investment report forecasts India's real GDP to grow by 5.9% in the upcoming year and 6.4% in the following, maintaining a strong growth trajectory despite broader global economic headwinds. The global economic outlook, in contrast, indicates a significant slowdown, with overall GDP growth expected to decline. While many countries face challenges from reduced trade and tightening financial conditions, India stands out due to robust domestic investment and resilient consumption trends. The strong momentum is driven by structural reforms, digital transformation, and increased private sector participation. The report underscores that India's economic fundamentals remain solid, providing a favorable environment for continued expansion. As a result, India is set to play a central role in supporting global growth, reinforcing its position as a key contributor to the evolving global economic landscape.

<https://www.financialexpress.com/policy/economy-india-emerging-as-the-fastest-growing-economy-globally-morgan-stanley-3900676/>

## Investment

### India's service economy powers over 55% of GDP, and it's just getting started.

Life today flows through services—whether booking transport, ordering food, managing finances, or accessing healthcare. These everyday actions reflect a deeper structural transformation. Services have become a core part of daily living, driven by digital adoption and convenience. This shift is not just about ease—it marks a fundamental change in how economies function. Services now contribute over half of India's GDP and employ a significant portion of the workforce, making the sector a vital engine of national growth. What began as a trend in metropolitan areas has rapidly expanded to smaller cities, where digital-first, value-conscious consumers are driving demand. A diverse ecosystem—spanning financial services, healthcare, education, logistics, and entertainment—is powering this momentum. The rise of service-led innovations across regions and income levels is shaping a more connected, empowered, and opportunity-rich India. This evolution positions the services sector as a cornerstone for the country's long-term economic transformation and inclusive development.

<https://economictimes.indiatimes.com/wealth/invest/indias-service-economy-powers-over-55-of-gdp-and-its-just-getting-started-are-you-invested-in-this-next-wave-of-wealth-creation/articleshow/122204835.cms?from=mdr>

## Finance

### Pre-payment charges for small business loans scrapped

In a move aimed at promoting fair lending practices and addressing customer grievances, the central bank has barred regulated entities from levying pre-payment charges on personal and small business loans up to ₹50 lakh. This rule applies to loans sanctioned or renewed from the specified implementation date. The directive covers various financial institutions, including smaller banks and non-banking entities. If a loan is granted for non-business purposes, no pre-payment charges can be applied at all. For business loans up to ₹50 lakh, certain regulated institutions are also prohibited from charging such fees. This step follows concerns over inconsistent practices across lenders, which led to borrower dissatisfaction and contract terms that discouraged switching to better lending options. The updated norms aim to enhance borrower flexibility, reduce overall borrowing costs, and foster competition among lenders. By eliminating these charges, the policy supports financial inclusion and empowers individuals and small enterprises to better manage their debt.

<https://www.financialexpress.com/business/banking-finance-pre-payment-charges-for-small-biz-loans-scrapped-3901029/>

## Digitalization

### RBI Mandates Banks to Integrate DoT's Fraud Risk Tool to Combat Cyber Scams

In a key move to combat rising cyber-enabled financial frauds, the central bank has advised all banks to integrate a Fraud Risk Indicator (FRI) tool developed by the telecommunications authority. This directive applies to scheduled commercial banks, small finance banks, payments banks, and co-operative banks. The FRI tool assesses the fraud risk level of mobile numbers in real-time, categorizing them as medium, high, or very high risk. The risk classification is based on data from cybercrime reporting portals, telecom intelligence platforms, and inputs shared by financial institutions. With digital payments becoming increasingly dominant, this integration is expected to enhance fraud detection and prevention across the banking system. The move marks a significant step in strengthening cybersecurity through inter-agency collaboration, enabling financial institutions to identify and mitigate threats more effectively. It reflects a broader push toward safeguarding digital transactions and protecting consumers in an evolving financial and technological landscape.

<https://www.siliconindia.com/finance/news/rbi-mandates-banks-to-integrate-dots-fraud-risk-tool-to-combat-cyber-scams-nid-236810.html>

Metric ▾	02nd July 2025 ▾	03rd July 202 ▾	Change ▾	Metric2 ▾	02nd July 20253 ▾	03rd July 2025 ▾	Change ▾
USDINR	86.22	86.35	0.13	NIFTY 50	25920	26010	90
EURINR	99.32	99.5	0.18	BSE Sensex	84810.35	85020.75	210.4
GBPINR	118.55	118.78	0.23				
JPYINR	59.95	60.02	0.07				