Top Story 1

India still the fastest-growing economy despite global slowdown: World Bank

The global growth landscape has been slowing, but a recession is not expected. Amidst this, one emerging economy continues to stand out with a projected growth of 6.3% in the coming fiscal year, maintaining its position as the fastest-growing among major economies. Although growth slightly moderated in the previous fiscal year due to a slowdown in industrial output, steady construction and services activity, along with a recovery in agriculture, supported overall resilience. Rural demand also remained strong despite adverse weather conditions. In subsequent years, growth is expected to strengthen further to around 6.6%, indicating a stable and improving economic outlook. Meanwhile, growth in developing economies overall has declined over the decades—from about 6% annually in the 2000s to under 4% in the 2020s—highlighting the exceptional performance of this standout economy. The continued momentum is supported by domestic demand, structural reforms, and a strong services sector, reinforcing its leadership in global growth.

https://english.mathrubhumi.com/news/money/india-still-the-fastest-growing-economy-despite-global-slowdown-world-bank-cevyshwm

Top Story 2

World Bank retains India FY26 GDP growth forecast at 6.3%, lowers 2025 projections for 70% of economies

The economy is projected to grow at 6.3% in the upcoming fiscal year, retaining its position as the fastest-growing among major global economies. Despite a downward revision of 0.4 percentage points from earlier estimates, the growth outlook remains strong, supported by resilient domestic demand. The revision is attributed to weaker export activity, driven by slower demand from key trade partners and increasing global trade barriers. Investment growth may moderate due to heightened policy uncertainty across global markets. However, the services sector continues to show robust activity, expected to support export momentum in subsequent years. Growth projections for the following years are slightly adjusted to 6.5% and 6.7%, reflecting both short-term external pressures and medium-term structural strengths. Additionally, fiscal consolidation efforts are underway, with a targeted reduction in the debt-to-GDP ratio over the coming years. Overall, the outlook signals steady growth amid global challenges, reaffirming confidence in long-term economic resilience.

https://indianexpress.com/article/business/world-bank-india-fy26-gdp-growth-forecast-lowers-2025-10059042/

Economy

RBI Expands Exemptions Under Large Exposures Framework for Priority Sector Lending Shortfalls

The central banking authority has expanded the scope of exemptions under its Large Exposures Framework (LEF), allowing financial institutions greater flexibility in managing their credit exposure portfolios. Previously, only certain deposits maintained with a development-focused financial institution, related to shortfalls in meeting Priority Sector Lending (PSL) targets, were excluded from LEF calculations. The updated guidelines now extend this exemption to a broader range of similar contributions, thereby enhancing the framework's applicability. This change holds importance in a regulatory environment where exposure limits are strictly monitored to prevent concentration risks. By revising key provisions within the framework, the regulatory authority is enabling banks to allocate credit more efficiently while continuing to comply with risk management requirements. The move is expected to support priority sectors more effectively, improve liquidity management, and promote a more inclusive approach to credit distribution across critical economic segments. This reflects a strategic balance between financial oversight and developmental lending.

https://www.taxscan.in/top-stories/rbi-expands-exemptions-under-large-exposures-framework-for-priority-sector-lending-shortfalls-1421444

Market

RBI to re-issue Sovereign Green Bonds of Rs 5000 crore in upcoming Rs 30,000 crore government securities auction

The central banking authority has announced the re-issue of sovereign green bonds (SGrBs) as part of an upcoming government securities (G-Secs) auction. The total notified amount for sale is ₹30,000 crore, which includes ₹5,000 crore of 6.98% SGrBs maturing over a long term. These sovereign green bonds are specifically aimed at financing environmentally sustainable projects, reinforcing a strategic commitment to green development. The securities will also be eligible for "When Issued" trading during a defined window, allowing market participants to transact even before formal issuance. Additionally, Primary Dealers can submit underwriting bids for the Additional Competitive Underwriting (ACU) portion within the stipulated time on the auction day. This re-issuance signals continued efforts to channel capital into sustainability-focused infrastructure, encouraging the growth of climate-resilient assets and attracting responsible investment. It aligns with broader economic and environmental objectives, reflecting a shift toward inclusive, sustainable economic development through fiscal and monetary synergy.

https://www.babushahi.com/business.php?id=205594&utm_source

Finance

Green bonds: India’s sustainable finance outreach

Strengthening institutions, ensuring accountability and offering tax sops are the way forward

In an era where financial systems are being reoriented to meet climate goals, green bonds have emerged as key instruments to fund the transition towards a low carbon economy. While developed economies have led the charge in green bond issuance, India has emerged as a significant player, positioning herself as a climate conscious economy with ambitious clean energy and emission goals. India’s green bond market gathered momentum after Yes Bank pioneered the first rupee-denominated green infrastructure bond in 2015. In the decade since, India has witnessed a steady uptick in both private and public sector green bond issuances. The next major milestone for the Indian green debt market was the launch of Sovereign Green Bonds (SGrBs), with the government issuing ₹16,000 crore ($1.94 billion) to fund public sector green infrastructure.

https://www.thehindubusinessline.com/opinion/green-bonds-indias-sustainable-finance-outreach/article69678239.ece

Investment

NHAI to consider public InvIT to widen investor base,

To raise public funds for its asset monetisation pipeline, a national highway authority is planning to introduce a new infrastructure investment trust (InvIT) open to retail investors. After successfully launching a private InvIT and monetising over 2,000 km of highways, the authority now aims to broaden the investor base and foster a more competitive environment in the InvIT market. A public InvIT is expected to offer retail investors the opportunity to participate in infrastructure development and gain from its benefits. This move aligns with the broader vision of enabling citizens to directly invest in and benefit from the expansion of national infrastructure projects. However, the process has faced complexities due to stringent regulations, making execution challenging. Additionally, the authority highlighted ongoing concerns regarding the determination of initial estimated concession value (IECV), a longstanding issue between the public and private sectors. Despite these challenges, the shift towards public participation marks a significant step in inclusive infrastructure financing.

NHAI to consider public InvIT to widen investor base, include retail buyers | Finance News - Business Standard

Currency	10-Jun-2025 Rate	11-Jun-2025 Rate	Change	Index	Value	Change from June 10
USDINR	85.5949	85.46	−0.1349	NIFTY 50	25,140.95	+36.70 pts (+0.15%)
EURINR	97.6130*	—	—	BSE Sensex	82,513.24	+121.52 pts (+0.15%)
GBPINR	115.6153*	—	—			
JPYINR	59.2400*	—	—			