

Top Story 1

MSMEs backbone of Indian economy, key to sustainable & inclusive growth

The Micro, Small and Medium Enterprises (MSME) sector is a vital pillar of India's economy, playing a crucial role in its sustainable development. Contributing approximately 30% to the GDP, 36% to the manufacturing sector, and 45% to exports, the sector fosters innovation at the grassroots level while generating employment, especially in rural and underserved regions. As the second-largest job creator after agriculture, MSMEs are key to promoting inclusive growth and empowering weaker sections of society. Globally, MSMEs form the backbone of economies by supporting entrepreneurship and providing over 50% of total employment. Their dominance in the business ecosystem is marked by their share of nearly 90% of enterprises. In recognition of their importance, a global observance was established to highlight their role in economic transformation. The focus is now on strengthening MSMEs as engines of sustainable growth and innovation, further reinforcing their critical contribution to India's progress and economic resilience.

<https://www.newsonair.gov.in/msmes-backbone-of-indian-economy-key-to-sustainable-inclusive-growth-president-murmu/>

Top Story 2

Indian economy showed resilience, remained strong in May despite global uncertainty

India's economy demonstrated remarkable resilience amid ongoing global uncertainties, as noted in the central bank's latest bulletin. High-frequency indicators reflected sustained momentum across industrial and services sectors. Robust activity was observed in e-way bill generation, tax revenues, toll collections, and digital payments—signaling strong domestic demand and economic vibrancy. The economy recorded steady growth, with real GDP expanding significantly in the previous fiscal year, driven by a notable rise in fixed investments and a strong showing in infrastructure-related sectors. These trends underline the solid foundation of India's macroeconomic framework and the effectiveness of supportive policy measures. Additionally, India has reinforced its position as a preferred investment destination, ranking prominently in foreign direct investment inflows. A significant share of global greenfield investments, particularly in digital economy sectors, flowed into India during the last four years—outpacing other emerging regions. These developments collectively reflect India's evolving role as a key growth engine in the global economy.

<https://auto.economictimes.indiatimes.com/news/industry/indian-economy-showed-resilience-remained-strong-in-may-despite-global-uncertainty-rbi/122093566>

Economy

RBI rate cuts still possible despite neutral stance, says MPC member

A member of India's monetary policy committee indicated that there remains scope for reducing borrowing costs, even after the recent shift in policy stance from 'accommodative' to 'neutral.' The revised stance should not be interpreted as a signal that rate cuts are off the table. Instead, it allows for flexibility in responding to evolving economic conditions. The member emphasized that the change in stance does not preclude further monetary easing, especially if inflation remains under control and growth support is needed. This reflects a cautious yet responsive approach by the central bank, balancing the need for financial stability with the goal of sustaining economic momentum. The possibility of further rate cuts is seen as a positive signal for enhancing credit flow, boosting consumer demand, and supporting private investment. It also demonstrates the central bank's commitment to ensuring macroeconomic resilience amid a globally uncertain environment. This stance reinforces confidence in India's proactive economic policy framework.

https://www.business-standard.com/economy/news/rbi-rate-cuts-still-possible-despite-neutral-stance-says-policy-member-125062601136_1.html

Investment

India Invites Global EV Giants Under New Car Manufacturing Scheme; Slashes Import Duty to 15% with ₹4,150 Crore Minimum Investment Requirement

India has launched a new initiative aimed at establishing itself as a global hub for electric vehicle (EV) manufacturing through the official rollout of the Scheme to Promote Manufacturing of Electric Passenger Cars in India (SPMEPCI). This move is designed to attract leading global and domestic manufacturers to participate in India's expanding electric mobility ecosystem. The scheme offers strategic policy incentives to foster local production, support sustainable transportation, and contribute to the nation's clean energy transition. The scheme's guidelines and eligibility criteria are available on the relevant government portal, and applications are now open for eligible participants. Described as a pivotal step in India's journey toward future-ready mobility, the initiative aligns with the nation's broader goal of achieving net zero emissions. By encouraging the development of electric mobility infrastructure and reducing reliance on fossil fuels, this scheme reflects India's commitment to a greener economy and a stronger, self-reliant automotive sector.

<https://emobilityplus.com/2025/06/27/india-invites-global-ev-giants-under-new-car-manufacturing-scheme-slashes-import-duty-to-15-with-%E2%82%B94150-crore-minimum-investment-requirement/>

Market

FY25 sales growth of non-financial listed firms improves to 7.2%: RBI

India witnessed a notable improvement in the sales performance of its listed private non-financial companies, with overall growth reaching 7.2% in the latest financial year—up from 4.7% the previous year. The manufacturing sector recorded a 6% rise in sales, driven by gains in select segments, though some industries saw a decline. Despite external economic pressures, the information technology sector also showed stronger performance, with sales growth improving from the prior year. Meanwhile, non-IT services companies experienced double-digit expansion, supported by robust activity in key service segments. This widespread growth reflects the resilience and adaptability of India’s corporate sector in the face of global uncertainties. While certain industries registered slower momentum or contraction, the overall improvement in sales across manufacturing and services points toward a stable and growing economic environment. The data highlights India’s ability to maintain corporate growth amid shifting global trends and domestic transformation, reinforcing confidence in its economic fundamentals.

<https://www.thehindubusinessline.com/economy/india-inc-fy25-performance-sales-rebound-margin-pressures/article69743500.ece>

Finance

India's electronic production set to reach ₹27.7 lakh crore by FY28: Report

India's electronic manufacturing sector is projected to experience significant growth, reaching approximately ₹27.7 lakh crore by the financial year ending 2027-28. This reflects a strong compound annual growth rate (CAGR) of around 27% over a five-year period. The expansion is driven by increasing domestic demand and the growing use of electronics across various sectors. Supportive policies and favorable market conditions are also contributing to the momentum. Electronics Manufacturing Services (EMS) companies are well-positioned to capitalize on this demand surge. Additionally, India is emerging as a preferred alternative manufacturing hub, offering cost advantages and reliability for global players seeking to diversify their production base. The overall electronics market, combining domestic production and imports, is expected to grow at over 21% CAGR, reaching nearly ₹28.8 lakh crore. Meanwhile, electronic consumption in India is projected to touch ₹17.9 lakh crore by the same period, reflecting a healthy demand trajectory across segments.

<https://www.thehindubusinessline.com/economy/indias-electronic-production-set-to-reach-277-lakh-crore-by-fy28-report/article69743777.ece>

Currenc▼	26th June 2025 Rat▼	27th June 2025 Rate▼	Change▼	Index▼	26th June 2025 Value▼	27th June 2025 Value▼	Change2▼
USDINR	85.74	85.89	0.15	NIFTY 50	25500	25625	125
EURINR	98.3	98.55	0.25	BSE Sensex	83755.87	84045.2	289.33
GBPINR	117.4	117.65	0.25				
JPYINR	59.49	59.68	0.19				