

Top Story 1

India To Have \$1.5 Trillion Economy By 2047

At least seven business centres of international standard will be established in Mumbai to boost the city's economy from the present USD 140 billion to USD 1.5 trillion by 2047, Maharashtra Deputy Chief Minister Ajit Pawar announced in the state budget recently. Ajit Pawar, who tabled the budget for the fiscal 2025-26 in the state assembly, said the Mumbai Metropolitan Region will be developed as a growth hub and an international-standard economic development centre. He said business centres will be established at the Bandra-Kurla Complex (BKC), the Kurla-Worli area, Wadala, Goregaon, Navi Mumbai, Kharghar and the Virar-Bhoisar area. The minister further said that the state government has a 26 per cent share in the Vadhavan port, which is being constructed at the cost of Rs 76,220 crore.

Top Story 2

Investment Boom to Outpace Consumption in India's FY26 Economic Growth

Investment is anticipated to be the dominant force behind India's economic growth in the financial year 2025-26 (FY26), outstripping consumption, according to a report from SBI Mutual Fund. The findings indicate a steady enhancement in economic growth, particularly in the latter half of FY25, prompted by proactive government policies and interventions from the Reserve Bank of India (RBI). The report projected that India's gross domestic product (GDP) could see a growth of 6.5-7% in FY26, marginally improved from an expected 6.5% in FY25. Although this forecast lags behind the 7.5-9% growth witnessed in FY22-FY24, it remains robust. The document noted that while government capital expenditure might not significantly increase, the momentum of corporate order books suggests a stable private investment scenario.

Digitalization: -

The digital bridge for India's regional rural banks

India's banking industry is undergoing a major transformation, shifting beyond its traditional urban strongholds into rural markets poised for rapid digital adoption. Rural household incomes have surged by 57.6% between 2016-17 and 2021-22, while institutional lending has expanded by 75%, according to NABARD. These figures point to a rising rural economy fueled by increasing digital access and a significant shift in spending patterns. The rise in rural incomes has increased purchasing power and altered consumer behavior. Rural consumers today aspire for the same services and conveniences as their urban counterparts, from digital payments and e-commerce to travel bookings and lifestyle services. A joint report by the Internet and Mobile Association of India (IAMAI) and Kantar estimates that rural India will have 488 million internet users by 2024, contributing to a national total projected to exceed 900 million by 2025. By 2030, half a billion Indians — primarily from Tier 2-4 cities and rural areas — are expected to be online shoppers. This shift presents an urgent opportunity for Regional Rural Banks (RRBs) to evolve beyond traditional banking and embrace digital-first financial services.

Finance: -

Empowering the transition: key institutions in India's climate finance landscape in 2025

The RBI is responsible for formulating and implementing monetary policy to ensure price stability and supervising the financial system. Under its management, the outstanding credit of scheduled commercial banks grew from INR 31 trillion in March 2010 to INR 164 trillion in March 2024 – a 5.3-times increase – without there being significant setbacks to the health of the banking system. Additionally, the credit exposure of non-bank financial companies (NBFCs) surpassed INR 36 trillion in December 2023. The banking system is well-capitalised and positioned for growth, despite some challenges. Transition financing and the eventual need for regulated entities to undertake transition planning were among the key issues for the Indian banking and financial sector identified by the former governor of the RBI in an address at a summit last July.

Investment: -

Russian investment in India grows 3-fold even as overall FDI inflow dips in 2024-25

Overall foreign direct investment (FDI) inflows in India witnessed a decline in Financial Year 2025 (April-December), according to data presented in the lower house of the Indian Parliament, Lok Sabha. A total of \$62.48 billion in FDI came to India in the last nine months of 2024, compared to \$71.27 billion in FY24 and \$71.35 billion in FY23. However, despite a cautious approach taken by foreign investors, Russia has emerged as a bright spot regarding FDI inflows in India. In FY25, Russian investors parked \$18.45 million in India, a rise of more than 300 per cent when compared to \$5.16 million in FY24.

Market : -

Rupee Gains 1 Paisa to 87.30 vs US Dollar

The rupee turned almost flat and gained 1 paisa to 87.30 against the US dollar in early trade on Tuesday on the back of weaker American currency and lower level of crude oil prices. However, volatile domestic equity markets amid fear of recession in the US and trade-related uncertainties impacted investor sentiment adversely, forex traders said. At the interbank foreign exchange, the rupee opened at 87.37, slipped to 87.39 and then slightly strengthened to 87.30 against the greenback in early deals, registering a gain of 1 paisa from its previous closing level. The rupee sank 36 paise to close at 87.31 against the US dollar. Meanwhile, the dollar index, which gauges the greenback's strength against a basket of six currencies, was trading lower by 0.20 per cent at 103.75.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	87.355	0.065	NIFTY 50	22,460.10	-0.20
EURINR	95	0.122	BSE Sensex	74,048.60	-66.57
GBPINR	112.488	0.041			
JPYINR	0.5936	+0.0008			