

Top Story 1

India's Economic Outlook Remains Broadly Optimistic Despite Global Woes

India's economy has shown strong momentum in the recent quarter, with growth exceeding earlier expectations. The overall outlook remains broadly optimistic, even against the backdrop of global uncertainty. A key driver of this growth has been robust domestic demand, which is expected to remain steady in the coming months. Manufacturing and services sectors have recorded significant expansion, while agriculture has maintained consistent growth, together supporting a healthy rise in overall value addition. Private consumption reached its highest share in the national output for a first quarter in over a decade, reflecting rising confidence and spending capacity. At the same time, steady levels of capital formation, supported by increased public investment, have further strengthened the growth base. Reforms in the indirect tax structure are also expected to stimulate consumption and improve business sentiment. These developments underline the resilience of India's economy and its capacity to sustain growth despite global headwinds.

<https://www.news18.com/business/economy/indias-economic-outlook-remains-broadly-optimistic-despite-global-woes-finance-ministry-report-ws-l-9598741.html>

Top Story 2

India's resilience not accidental:

India's economic resilience has been highlighted amid global turbulence, with proactive fiscal and monetary policies, structural reforms, and extensive infrastructure development enabling the country to withstand external uncertainties. Strong macroeconomic fundamentals, a young demographic profile, and reliance on domestic demand have supported high growth momentum. India recorded an average annual growth of around 8% in recent years, maintaining its position as one of the fastest-growing economies. Despite challenges from global trade tensions, supply chain uncertainties, and financial volatility, India continues to benefit from robust domestic demand, low inflation, and healthy foreign exchange reserves. International rating agencies have upgraded their assessments, reflecting confidence in India's fundamentals. The banking sector's turnaround, supported by reforms and stronger governance, has been vital in fueling growth. Banks are playing a crucial role not only as custodians of savings but also as drivers of investment, credit, and innovation, strengthening confidence in India's economic future.

<https://a2ztaxcorp.net/indias-resilience-not-accidental-fm-nirmala-sitharaman-hails-economy-amid-global-turmoil/>

Economy

India and US discuss contours of trade deal

India recently engaged in discussions with a key global partner to explore the contours of a potential trade agreement, with both sides agreeing to continue efforts for an early and mutually beneficial conclusion. The talks focused on addressing pending trade issues while also seeking to build a comprehensive framework that supports long-term economic cooperation. The delegation highlighted the importance of such an agreement in strengthening bilateral ties, enhancing market access, and ensuring greater certainty for businesses. Alongside trade matters, discussions also touched upon broader economic concerns, including energy-related issues that remain central to negotiations. Officials emphasized that resolving these challenges holistically, rather than in a fragmented manner, would pave the way for smoother progress on other aspects of the deal. The ongoing dialogue reflects the intent to deepen economic engagement, boost investment flows, and expand opportunities across sectors, reinforcing India's role in shaping future global trade partnerships.

https://www.business-standard.com/economy/news/india-us-trade-deal-talks-goyal-delegation-new-york-125092600764_1.html

Market

India's foreign exchange reserves increase by \$396 million to \$702 billion

India's foreign exchange reserves rose by \$396 million to reach \$702.5 billion in the latest reporting week, according to central bank data. The increase was supported by gains in gold reserves, which went up by \$360 million. Special Drawing Rights (SDRs) also contributed positively, rising by \$105 million to \$18.8 billion, while the country's reserve position with the International Monetary Fund increased by \$2 million to \$4.7 billion. Despite the overall increase, total reserves were tempered by a decline in foreign currency assets, which fell by \$864 million during the same period. The reserves had previously reached an all-time high of \$705 billion, reflecting the country's strong external position. The healthy level of reserves underscores India's ability to manage external shocks, maintain currency stability, and support trade and investment flows. This robust reserve position strengthens investor confidence and provides a buffer against global financial volatility, reflecting the country's overall economic resilience.

https://www.business-standard.com/economy/news/india-s-foreign-exchange-reserves-increase-by-396-million-to-702-billion-125092601005_1.html

Finance

GST rate cuts likely to ease inflation, boost growth, says FinMin report

Recent GST rate cuts are expected to ease inflation over the next year and provide a boost to the country’s growth prospects, according to the Finance Ministry. The reforms are designed to support domestic consumption, improve household savings, and stimulate investment, thereby sustaining economic momentum. However, authorities caution that uncertainties and risks remain, particularly from global trade dynamics. Persisting tariff uncertainties could impact export sectors, with potential spillovers to domestic employment, income, and consumption. Recent changes in foreign visa regulations also highlight vulnerabilities in the services sector, which had previously been largely unaffected. Despite these challenges, the government’s ongoing reform agenda is expected to cushion the economy against adverse effects from trade disruptions. The near-term outlook is therefore characterised by steady, reform-driven growth, underpinned by strong macroeconomic discipline and adaptive economic strategies. Vigilance against external shocks and global market volatility remains essential to sustain momentum.

https://www.business-standard.com/economy/news/gst-rate-cuts-likely-to-ease-inflation-boost-growth-says-finmin-report-125092601144_1.html

Taxation

India Sees Record FDI Growth After Four Years

India has witnessed a significant surge in foreign direct investment (FDI), marking a strong recovery after several years of subdued inflows. This growth reflects increasing investor confidence and the country’s resilience amid global economic challenges. Favorable government policies, improved ease of doing business, and strategic initiatives aimed at attracting foreign investment have made India an appealing destination for global investors. FDI inflows are rising across diverse sectors, including technology, manufacturing, and renewable energy, signaling renewed interest and optimism about India’s long-term economic potential. Several key international partners have contributed substantially, leveraging strong trade relations, favorable tax agreements, and strategic cooperation frameworks that facilitate investment flows. These investments not only bring capital but also enhance innovation, infrastructure development, and employment generation. The increase in FDI highlights growing trust in India’s economic trajectory, reinforcing its position in the global economic landscape and supporting sustained growth, competitiveness, and integration with international markets.

<https://businessnewsthisweek.com/business/india-sees-record-fdi-growth-after-four-years-a-sign-of-economic-resilience/>

Metric	25-Sep-2025 Rate	26-Sep-2025 Rate	Change
USDINR	₹88.6696	₹88.7731	+0.1035 ₹
EURINR	₹104.1685	₹103.4500	-0.7185 ₹
GBPINR	₹119.3162	Data not available	—
JPYINR	₹59.5800	Data not available	—
NIFTY 50	24,816.35	Data not available	—
BSE Sensex	81,159.68	Data not available	—

