

Top Story 1

India bets on EFTA, UK FTAs to offset US tariff hit on marine exports

Officials stated that the immediate impact of recent U.S. tariffs on the country's industry is limited. Pharmaceutical exports, primarily consisting of generic formulations, are largely unaffected as higher tariffs would have applied mainly to patented or branded drugs. The tariffs are imposed globally, except for certain regions, meaning main competitors face similar measures, which offsets any relative disadvantage. Authorities have engaged with the U.S. to negotiate a balanced bilateral trade agreement, aiming to protect sensitive domestic sectors while expanding opportunities in pharmaceuticals and other industries. They cautioned that persistently high tariffs could erode competitiveness, slow export growth, and complicate trade negotiations over time. Overall, the current measures are seen as manageable, with ongoing dialogue focused on ensuring a fair-trade environment. Efforts continue to safeguard domestic interests while leveraging global demand for key exports, maintaining economic stability, and supporting sustainable growth in the face of external trade challenges.

https://www.business-standard.com/economy/news/india-efta-uk-ftas-offset-us-marine-export-losses-125092901275_1.html

Top Story 2

India's Industrial Production growth at 4.0 per cent in August

India's industrial production growth reached 4% in August 2025, showing a modest improvement from July's 4.3%, according to official data. The growth was largely driven by the strong performance of the mining sector, which recorded a 6% expansion in output, recovering sharply from a contraction in the previous month. Manufacturing production grew by 3.8%, while electricity generation rose by 4.1%, reflecting steady activity across key sectors. However, cumulative industrial growth for the April-August period slowed to 2.8%, compared to 4.3% in the same period last year, indicating some moderation in the overall pace of industrial expansion. Despite this, the positive momentum in mining, steady manufacturing output, and growth in electricity generation suggest resilience in India's industrial base. The performance highlights underlying economic stability and the potential for recovery in production activity. Ongoing policy support, infrastructure development, and domestic demand are expected to further stimulate industrial growth in the coming months.

<https://economictimes.indiatimes.com/news/company/corporate-trends/suzlon-powering-indias-renewable-future-with-sustainable-innovation/articleshow/124147648.cms>

Economy

Manufacturing growth can exceed GDP rate, says BCG India head

India's growth has long been driven by consumption, especially in services, while manufacturing has played a secondary role. However, a supportive policy environment and incentive schemes have brought manufacturing back into focus, with several groups exploring opportunities in this space. Although its share of GDP has not significantly increased, manufacturing is growing in absolute terms. To achieve sustainable growth, India must enhance competitiveness in factor costs, improve ease of doing business, and ensure holistic development of the SME sector. True manufacturing growth requires a complete ecosystem, including strong local supplier bases and value chain localization, rather than relying solely on end-product assembly. Building such an ecosystem can enable backward integration, foster resilience, and drive large-scale expansion. The evolution of the SME and MSME sectors will be critical in overcoming current impediments and ensuring that manufacturing contributes more substantially to India's long-term economic development.

<https://www.financialexpress.com/policy/economy-manufacturing-growth-can-exceed-gdp-rate-says-bcg-india-head-3993669/>

Market

Q1 GDP: India's economy grows 7.8% in April-June quarter, services sector drives expansion

India's economy expanded by 7.8% in the first quarter of the current financial year, driven by strong growth in the services sector. The increase in real Gross Domestic Product (GDP) was higher than the previous year's expansion, reflecting steady economic momentum. In real terms, GDP rose to ₹47.89 lakh crore, while at current prices, nominal GDP registered an 8.8% increase to ₹86.05 lakh crore. Agriculture output improved, showing a higher growth rate compared to the earlier period. The manufacturing and construction sectors also recorded healthy expansion, indicating broad-based economic activity. However, mining and utilities showed weaker performance, with one contracting and the other growing marginally. Despite sectoral variations, India continues to maintain its position as the fastest-growing major economy globally. The overall outlook remains optimistic, supported by robust domestic demand, steady investment, and continued policy support that is expected to sustain strong growth in the coming quarters.

<https://upstox.com/news/business-news/economy/q1-gdp-india-s-economy-grows-7-8-in-april-june-quarter-services-sector-drives-expansion/article-180431/>

Finance

India maintains resilience amid trade uncertainties; tax reforms to aid growth

A recent report highlights that government reforms are expected to safeguard the economy from trade-related challenges while maintaining vigilance against external risks and market volatility. The review underscores tax rationalization, including adjustments in GST and income taxes, as key measures to ease inflation and support growth. It also notes that recent credit rating upgrades reflect economic strength, fiscal stability, and sound policy management. The report acknowledges that persistent tariff uncertainties could impact exports, employment, and consumption, though the overall risk remains manageable. The government's reform agenda, regulatory improvements, and infrastructure development are expected to sustain momentum and ensure affordable access to capital. With strong domestic demand driving expansion and GDP growth surpassing expectations, the outlook remains positive. The simplified tax structure aims to reduce consumer burdens, boost spending, and cushion the economy against global disruptions, reinforcing steady, reform-driven growth rooted in macroeconomic discipline and adaptive policy action.

<https://a2ztaxcorp.net/india-maintains-resilience-amid-trade-uncertainties-tax-reforms-to-aid-growth-finance-ministry/>

Investment

India Eyes \$5 Trillion Economy by 2027

India has reaffirmed its commitment to achieving the \$5 trillion economy target within the next few years, supported by strong fundamentals and a decade of transformational reforms. The nation is focused on navigating global volatility with unity and purpose, positioning itself for sustained growth and long-term development. Strategic trade agreements with advanced markets aim to build complementary relationships that enhance opportunities for exporters and small enterprises. The government's approach emphasizes inclusivity, sustainability, and transparency as key pillars of economic progress. Businesses are being encouraged to scale operations, expand globally, and drive innovation-led exports to strengthen competitiveness. These initiatives are creating a virtuous cycle where expansion fuels productivity and prosperity. Through decisive leadership, proactive engagement, and resilience, India is not only addressing global challenges but also moving steadily toward becoming a major economic force and realizing its broader vision of comprehensive national growth.

<https://hdfcsky.com/news/india-on-course-to-become-5-trillion-economy-by-2027>

Metric	28-Sep-2025 Rate	29-Sep-2025 Rate	Change
USDINR	₹88.85	₹88.795	-0.055 ₹
EURINR	₹104.4698	₹104.272	-0.1978 ₹
GBPINR	₹119.9787	₹119.4851	-0.4936 ₹
JPYINR	₹59.9400	₹60.2300	+0.2900 ₹
NIFTY 50	24,634.90	24,615.10	-19.80 pts
BSE Sensex	80,364.94	80,588.77	+223.83 pts

