

Top Story 1

Diageo India added ₹49,000 crore to Indian economy:

A recent economic and social impact assessment revealed that a leading company contributed around ₹49,000 crore in value to India's economy in a year, supporting nearly 6.5 lakh jobs. Of this, ₹25,300 crore was a direct contribution, while the rest came from indirect activities and demand generated. The company's procurement activities created forward and backward linkages across agriculture, transportation, logistics, packaging, hotels, trade, and tourism. Beyond financial impact, the report highlighted achievements in sustainability—water consumption reduced by 11%, withdrawal by 10%, improved efficiency in distilleries and packaging, elimination of coal use, and significant reductions in Scope 1 and 2 emissions. Renewable energy use reached 98.6% in direct operations, supported by expanded solar capacity. The company spends about ₹20 crore annually on CSR, benefiting over 1,00,000 people through initiatives in healthcare, sanitation, women's empowerment, livelihood generation, and agro-income enhancement, reinforcing its role in sustainable and inclusive growth.

<https://www.thehindu.com/business/Industry/diageo-india-added-49000-crore-to-indian-economy-report/article69892893.ece>

Top Story 2

India services growth hits 11-month high in July on stronger exports, PMI shows

India's services sector grew at its fastest pace in nearly a year in July, driven by strong international demand and steady domestic sales, according to survey data. The Services Purchasing Managers' Index (PMI) rose to 60.5, signaling continued expansion for the sector, which has now grown for four consecutive years. New export business saw significant acceleration, marking one of the strongest gains in the past year, while total new business remained solid, supported by advertising efforts and new client acquisitions. Among service segments, finance and insurance recorded the highest growth in new orders and activity, while real estate and business services grew more slowly. Despite strong demand, hiring slowed to its weakest pace in over a year. Cost pressures intensified due to rising food, freight, and labor expenses, prompting service providers to raise prices. The rate of charge inflation slightly outpaced input cost inflation, indicating continued pricing power in the sector.

<https://economictimes.indiatimes.com/news/economy/indicators/india-services-growth-hits-11-month-high-in-july-on-stronger-exports-pmi-shows/articleshow/123110224.cms>

Economy

India set to be third largest economy

India is poised to soon become the world's third-largest economy in terms of GDP and is currently the fastest-growing major economy. Over the past few years, it has advanced from the 11th to the 5th largest, emerging from the ranks of the 'Fragile Five' to a position of strength. This rapid rise has made India a key bright spot in the global economy, as acknowledged by global institutions and economists. The government is actively assessing the impact of recent developments, engaging with exporters, industries, and other stakeholders to understand their concerns. Protecting the welfare of farmers, laborers, entrepreneurs, industrialists, exporters, MSMEs, and all participants in the industrial sector remains a top priority. Authorities are committed to taking all necessary measures to safeguard national interests, promote economic stability, and ensure sustained growth. The focus remains on building resilience, enhancing competitiveness, and reinforcing India's position as a leading global economic power.

<https://timesofindia.indiatimes.com/business/india-business/india-set-to-be-third-largest-economy-piyush-goyal-responds-to-donald-trumps-dead-economy-jibe-reiterates-national-interest-important/articleshow/123017871.cms>

Market

Rate cut unlikely in August; growth, inflation rate in focus

India's Monetary Policy Committee is expected to keep policy rates unchanged in its upcoming review, though sentiment has shifted following the announcement of a 25% tariff on exports. In a previous meeting, the repo rate was reduced by 50 basis points to 5.5%, and the stance moved from accommodative to neutral, lowering expectations for another cut in the near term. Most economists anticipate no rate change, while a few foresee a possible reduction. India's retail inflation recently dropped to a six-year low of 2.1% due to easing food prices and favourable monsoon conditions. The manufacturing sector has also seen robust growth, reaching its fastest expansion in over a year. Experts expect the committee to revise the inflation forecast for the current financial year downward, with projections indicating a lower inflation trajectory in the latter half of the year. Despite global uncertainties, the overall growth outlook for India remains stable.

https://www.business-standard.com/finance/news/rbi-mpc-august-2025-expectations-policy-rate-cut-growth-inflation-outlook-125080500262_1.html

Finance

It's time to free the financial sector of India

India aims to boost business growth by cutting unnecessary regulations, but without deregulating the financial sector, broader reforms may falter. Finance is the “oxygen” of the economy, and current oversight by the Financial Stability and Development Council (FSDC) focuses on stability and coordination, not on deep regulatory reform. A dedicated deregulation commission for the financial sector is needed to review outdated laws, assess costs and benefits, and design better alternatives. Integrating a Regulatory Impact Assessment (RIA) framework with external experts would help challenge entrenched practices and ensure stakeholder-focused outcomes. Many laws favour state-owned entities, which receive capital support and operate under different rules than private players. This leads to inefficiencies, higher costs, and poorer service quality. Aligning governance and regulations across all financial institutions would improve fairness, competition, and productivity, enabling better services for consumers and supporting India’s overall economic resilience and growth ambitions.

<https://economictimes.indiatimes.com/opinion/et-commentary/its-time-to-free-the-finance-sector/articleshow/120319373.cms?from=mdr>

Digitalization

Digital transformation in social sector: Challenges and opportunities

India’s social sector is increasingly leveraging digital tools to enhance services such as healthcare and education. Innovations like digital health solutions, online learning platforms, and digital payment systems are helping extend essential services to remote areas. The push for digital transformation, supported by advancements in artificial intelligence, cloud computing, and 5G, is enabling rapid growth and positioning the nation among the largest online populations globally. These developments present significant opportunities for social organizations to expand reach, improve efficiency, and create greater impact. However, several challenges remain. Many organizations face a lack of awareness about the potential of digital tools, making it difficult to integrate them effectively into operations. Attracting skilled digital talent remains a struggle, particularly in resource-constrained environments. Additionally, limited funding for digital initiatives restricts scalability and innovation. Overcoming these barriers will be crucial to ensuring that digital transformation benefits all communities, especially those in underserved regions.

<https://timesofindia.indiatimes.com/india/digital-transformation-in-social-sector-challenges-and-opportunities/articleshow/118650796.cms>

Metric	04th Aug 2025	05th Aug 2025	Change	Metric	04th Aug 2025	05th Aug 2025	Change
USDINR	87.85	87.92	0.07	NIFTY 50	27350	27410	60
EURINR	102.8	102.95	0.15	BSE Sensex	88085.75	88155.9	70.15
GBPINR	122.25	122.4	0.15				
JPYINR	61.1	61.14	0.04				

