

Top Story 1

India's Economy may grow 6.3% in FY 26, 6.4% next fiscal:

India's economy is projected to grow steadily at 6.3% in the upcoming fiscal year, followed by 6.4% in the next, maintaining its position as the fastest-growing among major global economies despite worldwide challenges. Global growth is expected to slow due to trade barriers, tighter financial conditions, and increasing uncertainty. While domestic private consumption in India is likely to stay strong—supported by rising real incomes and reduced personal taxes—investment activity is also set to remain robust, aided by improved financial conditions. However, exports may see moderated growth, affected by softer global demand and ongoing trade policy uncertainties. High dependence on certain export markets also heightens the economy's sensitivity to global shifts. Despite these headwinds, the country's economic momentum remains intact. Strong internal demand, proactive reforms, and a resilient investment climate are expected to underpin continued growth, though global coordination and open dialogue will be key to managing the evolving economic landscape.

<https://timesofindia.indiatimes.com/business/india-business/indias-economy-may-grow-6-3-in-fy26-6-4-next-fiscal-oecd/articleshow/121606672.cms>

Top Story 2

India may still cross the 'miracle economy' benchmark of 7% GDP growth

The recent economic growth data signals an encouraging trend. The growth rate for the current fiscal year has been revised upward from earlier estimates, while the previous year saw a significant revision as well, pointing to stronger performance than initially reported. A key factor behind this revision is the use of the GDP deflator, a different measure of inflation than the more familiar consumer price index. This deflator gives more weight to services, which form a major part of the economy. In the previous year, an unusually low GDP deflator led to a sharp rise in real GDP, while a rebound in the deflator this year may moderate the growth figures. However, when averaged over two years, the growth trend is significantly higher than the long-term average and surpasses the benchmark often associated with rapid economic transformation. This suggests that the economy is on a robust trajectory, reflecting resilience and strong underlying fundamentals.

<https://economictimes.indiatimes.com/opinion/et-commentary/india-may-still-cross-the-miracle-economy-benchmark-of-7-gdp-growth/articleshow/121605824.cms?from=mdr>

Economy

India: World's 4th Largest Economy

India is now being recognized as the fourth largest economy globally, even though a large part of its economic activity—especially within the informal sector—remains unaccounted for in official GDP calculations. Experts have noted that while formal economic indicators provide strong evidence of this position, the actual economic size could be even larger when factoring in unmeasured informal contributions. Projections from key institutions and internal economic estimates indicate that the country is on track to firmly secure this position. While formal confirmation awaits complete annual data, the consensus among analysts is that India has already crossed the threshold of becoming a \$4 trillion economy. This upward trajectory reflects a robust economic framework supported by both formal and informal sectors. Despite the challenges of capturing informal data, the ongoing growth momentum and broader structural reforms continue to strengthen the country's position in the global economic landscape. The recognition is a milestone in the nation's economic journey.

<https://money.rediff.com/news/market/india-world-s-4th-largest-economy/27974220250603>

Investment

India-EU now aiming for full-scale FTA

Efforts are underway to finalize a comprehensive Free Trade Agreement (FTA) between two major economic regions, aiming to conclude negotiations within a set timeframe. The focus is on key areas such as tariff reduction, market access for services, and addressing regulatory concerns related to emissions and environmental standards. Negotiations also extend to investment and geographical indications, while sensitive sectors like dairy and automobiles remain under careful consideration. The agreement includes extensive chapters on trade in goods and services, rules of origin, customs, technical barriers, dispute resolution, and transparency. Discussions also encompass government procurement, intellectual property, subsidies, and sustainable practices. One side is seeking zero tariffs on labor-intensive exports and expanded access to the services sector, while the other seeks tariff cuts on protected items such as dairy products. Officials indicate that while significant progress has been made, final decisions hinge on resolving a few remaining complex issues across the agreement's multiple chapters.

<https://www.financialexpress.com/policy/economy-india-eu-now-aiming-for-full-scale-fta-3867211/>

Digitalization

India to invest AI Rs 10K Cr on AI mission, boost AI innovation and adoption

A major digital mission has been launched with a significant budget outlay to accelerate artificial intelligence (AI) innovation and adoption. The initiative focuses on building advanced AI compute infrastructure, featuring over 10,000 GPUs, to support startups, researchers, and academic institutions. By addressing the gap in accessible computing resources, it aims to strengthen the overall AI ecosystem. Dedicated innovation centres will be established to develop indigenous foundation models and domain-specific applications across key sectors such as agriculture, healthcare, governance, and education. To further encourage AI entrepreneurship, targeted schemes will offer funding, mentorship, and access to testing environments for early-stage ventures. A curated datasets platform will also be introduced to aid developers in training robust AI models. The program will be implemented through a specialized division to ensure strategic management and operational flexibility. This mission is poised to position the country as a hub for cutting-edge AI development and widespread sectoral transformation.

<https://yourstory.com/2025/06/yourstorycom202506india-rs-10000-crore-ai-mission-launch>

Finance

Growth data strong, RBI likely to maintain accommodative stance

The upcoming RBI MPC meeting is widely anticipated, with increasing speculation of a 25 bps rate cut. While markets may cheer a 50 bps cut, there’s a possibility the RBI might hold off this time. The central bank could maintain its accommodative stance and focus on improving transmission, as previous rate cuts haven’t fully passed through. Given the strong growth indicators, including impressive GDP and PMI figures, the RBI might prioritize ensuring liquidity and addressing any transmission bottlenecks. Clear forward guidance and measures to sustain liquidity would help ease uncertainty, especially from a foreign investment standpoint. A well-communicated stance could pave the way for the next market rally. Domestic investors continue to support the market through consistent inflows, but a significant boost may come from renewed foreign institutional interest, especially following clarity on broader trade agreements. Overall, a balanced and growth-supportive RBI message could be the real market trigger ahead.

[Growth data strong, RBI likely to maintain accommodative stance: Sunil Subramaniam - The Economic Times](#)

| Currenc | Rate (₹) | Change from June 3 | Index | Value | Change |
|---------|----------|--------------------|------------|-----------|--------|
| USDINR | 85.85 | 0.15 | NIFTY 50 | 24,616.10 | 73.6 |
| EURINR | 97.92 | 0.43 | BSE Sensex | 81,012.03 | 274.52 |
| GBPINR | 115.8882 | 0.0181 | | | |
| JPYINR | 0.5968 | 0.0013 | | | |