

Top Story 1

India's economy likely expanded 7.3% in Q2: Moneycontrol poll

India's economic growth is expected to have accelerated to around 7.3 percent in the July–September quarter of the current financial year, supported by a low base, stronger seasonal farm activity, firmer rural demand, and softer inflation, according to a recent poll of economists. The projection is slightly higher than earlier estimates. For the full year, growth is expected to average around 6.9 percent, although some moderation may occur in the second half. Economists noted that favourable statistical effects, better monsoon conditions, rural recovery, and pre-festive stocking contributed to the stronger performance. Some analysts also pointed out that government spending, improved purchasing power due to weak inflation, and front-loaded exports likely supported growth, even as private investment showed uneven momentum. Inflation forecasts have been revised lower, with the median projection at 2.1 percent. A majority of economists anticipate a rate cut in the upcoming policy review, expecting a reduction of around 25 basis points.

<https://www.moneycontrol.com/news/business/economy/india-s-economy-likely-expanded-7-3-in-q2-moneycontrol-poll-13691784.html>

Top Story 2

India's FY26 GDP growth at 6.5%; tax cuts to drive consumption

India's economy is projected to grow **6.5 percent in the current fiscal year** and **6.7 percent in the next**, supported by tax reductions and monetary easing that are expected to strengthen consumption-driven expansion. Real GDP had recently grown at its fastest pace in several quarters, and upcoming data will indicate whether this momentum continues. According to an economic outlook report, domestic growth remains resilient, led by strong consumption even amid external pressures. The central bank has also projected growth close to this range. The report notes that a potential trade agreement with a major global partner could help reduce uncertainty and benefit labour-intensive sectors. Recent reductions in indirect taxes are expected to support middle-income households and reinforce the impact of earlier income-tax adjustments and policy rate cuts. These shifts are likely to make consumption a more dominant driver of growth. External tariff challenges continue, but some easing may occur ahead.

https://www.business-standard.com/economy/news/s-p-pegs-india-s-fy26-gdp-growth-at-6-5-tax-cuts-to-drive-consumption-125112400192_1.html

Economy

LEI for India up by 0.9% in October 2025

India's leading economic indicator showed a notable improvement, with the main index rising by a solid margin after a modest gain in the previous month. Over the latest six-month period, the index expanded more strongly than in the earlier half-year, signalling a clearer pickup in forward-looking economic momentum. The coincident indicator, which reflects current economic conditions, also registered healthy growth, although at a slower pace compared to the earlier month. Over the recent six-month window, this index continued to rise, indicating that ongoing economic activity remains resilient despite some moderation from the previous period. Together, these indicators highlight improving short-term prospects and steady underlying strength. The leading index suggests better visibility for future growth, while the coincident index confirms that current conditions remain supportive. Overall, the combined trend points to a positive outlook for India's economy in the near term, with broad signals of stabilisation and strengthening momentum.

<https://www.fibre2fashion.com/news/textile-news/lei-for-india-up-by-0-9-in-october-2025-306642-newsdetails.htm>

Market

Economists expect RBI to cut rates as inflation eases

Economists expect a **25 bps repo rate cut** in the upcoming policy review, likely marking the end of the current easing cycle. **Near-zero inflation** has strengthened confidence that the monetary policy committee can ease rates even if growth slightly exceeds its projections. A cut would support borrowers by lowering loan costs but could **pressure bank margins**, as lenders may struggle to balance deposit inflows with rising credit demand. Lower nominal returns may also prompt savers to shift towards financial markets. Forecasts suggest that, based on expected growth, inflation, and real rate trends, the **terminal repo rate could settle around 5.25%**, guided by a standard policy framework that adjusts rates according to deviations in inflation and output. While domestic growth remains steady, **external risks** such as global trade tensions and policy restrictions may keep the committee cautious. Analysts view the move as part of a calibrated approach involving rates, liquidity, and regulatory adjustments.

<https://timesofindia.indiatimes.com/business/india-business/economists-expect-rbi-to-cut-rates-as-inflation-eases/articleshow/125527746.cms>

Finance

India’s 16th Finance Commission and the equity-efficiency nexus in federalism

India’s fiscal federal structure is entering a crucial phase as the latest Finance Commission submits its recommendations for the 2026–31 period. Its decisions will shape how resources are shared between the central government and the states, making it central to sustaining inclusive growth as India pursues larger economic goals in a challenging global environment. Expectations suggest the Commission may continue the existing formula for sharing central taxes with states, maintaining stability in vertical devolution. However, some estimates indicate the share could be reconsidered, given the Centre’s role in macroeconomic stabilisation amid global uncertainties. This debate comes against the backdrop of concerns from several states about limited fiscal space, partly due to the rising share of cesses and surcharges in total tax revenues. The recommendations will influence the balance between equity and efficiency, shaping India’s long-term development, regional growth patterns, and fiscal sustainability.

<https://www.moneycontrol.com/news/opinion/india-s-16th-finance-commission-and-the-equity-efficiency-nexus-in-federalism-13691652.html/amp>

Investment

58% of India GCCs invest in Agentic AI as innovation roles widen

India’s Global Capability Centres are rapidly shifting from AI experimentation to large-scale deployment, with a significant share now investing in advanced autonomous AI systems and many more preparing to expand adoption within a year. This transition reflects their growing role as strategic decision-making and innovation hubs, supported by rising digital maturity and expanded mandates. Many centres are already investing in next-generation AI models, with pilot projects increasing and internal upskilling accelerating as a large majority focus on training teams. AI efforts are directed toward areas with immediate impact such as customer support, finance-related processes, operations, and technology functions. A substantial number have also created dedicated innovation teams and idea-generation pipelines to scale solutions globally. These centres are gaining increased leadership responsibilities, with more than half now sharing accountability for global decisions and a rising portion moving toward full ownership of select functions. Overall, the shift marks India’s strengthening position in global AI-driven transformation.

https://www.business-standard.com/industry/news/gccs-india-agentic-ai-genai-investment-ey-gcc-pulse-survey-2025-125112300314_1.html

Metric	21-Nov-2025 Rate	24-Nov-2025 Rate	Change
USDINR	₹88.6402	₹89.1910	+0.5508 ₹
EURINR	₹102.3209	₹102.83*	+0.5091 ₹ (approx., FX spot)
GBPINR	₹116.0791	Data NA	— (no reliable spot close)
JPYINR	₹56.4200	≈₹57.17**	+0.75 ₹ (approx., based on JPY/INR spot)
NIFTY 50	Data NA	Data NA	—
BSE Sensex	Data NA	Data NA	—