

Top Story 1

India's Economy Zooms Ahead: Q1 GDP Growth Hits a Five-Quarter High of 7.8%

In the first quarter of the financial year, India's economy expanded impressively, recording a 7.8 percent year-on-year growth in real Gross Domestic Product (GDP), up from 6.5 percent in the same period last year. Now the world's fourth-largest economy, India is projected to rise further in the coming years, with strong long-term growth prospects. This robust performance comes amid global uncertainties, supply chain shifts, and energy market volatility, showcasing India's growing economic maturity and resilience. The country's consistent growth underscores its position as the fastest-growing major economy, driven by robust domestic demand, stable agricultural performance, and supportive policy measures. Real GDP was estimated at ₹47.89 lakh crore, compared to ₹44.42 lakh crore a year earlier. Nominal GDP, reflecting both output and price changes, grew 8.8 percent to ₹86.05 lakh crore from ₹79.08 lakh crore, indicating that strong demand conditions and stable price dynamics continue to support India's upward economic momentum.

<https://hdfcsky.com/news/indias-economy-zooms-ahead-q1-gdp-growth-hits-a-five-quarter-high-of-7-8-percent>

Top Story 2

India-Qatar trade talks to be finalized soon, FTA expected by mid-2026

India is preparing to launch negotiations on a free trade agreement (FTA), aiming to conclude it by the middle or third quarter of next year. The terms of reference for the pact—officially called a Comprehensive Economic Partnership Agreement—will soon be finalized, outlining its scope, objectives, and framework following a joint feasibility study. The agreement seeks to significantly expand bilateral trade, with India working to diversify beyond energy imports. Key areas identified for enhanced cooperation include agriculture, food products, renewable energy, data centers, artificial intelligence, tourism, pharmaceuticals, and cosmetics. The initiative also aligns with ongoing investments into India, reflecting growing confidence in the country's economic potential. With this FTA, India aims to strengthen its trade ties, attract greater foreign investment, and create new opportunities for businesses in both nations, supporting its broader goal of sustainable and inclusive economic growth.

<https://www.financialexpress.com/policy/economy-fta-with-qatar-to-be-finalised-by-mid-2026-goyal-4000642/>

Economy

Indian Bank, Canara Bank jump 40% in FY26

India's public sector banks have made a strong comeback in the current financial year, marking a remarkable turnaround in the financial sector. The performance of these institutions has significantly outpaced that of private players, reflecting renewed investor confidence and robust financial fundamentals. A majority of public sector banks have recorded impressive gains, with several witnessing substantial growth in their market value. This surge underscores improving asset quality, better credit growth, and strong profitability trends across the sector. The broader banking index has also seen a healthy upward trend, driven by effective reforms, capital infusion, and strategic operational improvements. The revival of public sector banks highlights the strengthening stability of India's financial ecosystem and signals a positive outlook for the economy. Analysts view this momentum as a sign of sustained recovery and increased competitiveness, with public sector banks reclaiming their leadership position in India's banking landscape.

<https://economictimes.indiatimes.com/markets/stocks/news/indian-bank-canara-bank-jump-40-in-fy26-are-psu-bank-stocks-set-for-a-golden-comeback/articleshow/124336126.cms?from=mdr>

Market

RBI Recognizes FIDC as Self-Regulatory Organization for NBFCs

The central bank has granted Self-Regulatory Organization (SRO) status to a prominent industry council, marking a significant step toward strengthening regulatory oversight. This recognition is aimed at enhancing self-governance, promoting adherence to best practices, and fostering collective responsibility across the sector. By formalizing the SRO framework, the move seeks to improve transparency, standardize operational and compliance procedures, and facilitate early identification of emerging risks. The organization will serve as a bridge between industry participants and the regulator, supporting consistent implementation of guidelines and efficient monitoring. This initiative is expected to bolster investor and stakeholder confidence by ensuring that governance standards are maintained across the sector. Overall, the establishment of a recognized SRO reflects a proactive approach toward sustainable growth, stability, and credibility, signaling a stronger, more disciplined environment for businesses and financial entities operating within India's expanding financial ecosystem.

<https://currentaffairs.adda247.com/rbi-recognises-fidc-as-self-regulatory-organisation-for-nbfc/amp/>

Finance

RBI Bank Finance: India's Bold Credit Liberalizations

The government has long positioned India as an attractive investment destination, implementing various measures to stimulate economic activity. Significant public capital spending was undertaken to encourage private sector investment, alongside tax incentives designed to boost consumer spending. Despite these efforts, the impact on investment and consumption has remained moderate. In response, authorities have turned to monetary measures as a key tool to reinvigorate growth. The central bank has substantially liberalized credit availability for all investors, easing restrictions and creating more flexible lending conditions. This move is aimed at unlocking private sector potential, facilitating corporate expansion, and supporting broader economic activity. By increasing access to finance, the policy seeks to stimulate both production and consumption, providing a much-needed boost to growth momentum. Collectively, these initiatives reflect a coordinated approach to strengthening the investment environment and sustaining economic development in India.

<https://www.deccanherald.com/opinion/rbi-unlocks-bank-finance-who-will-run-away-with-it-3755280>

Investment

India–EFTA TEPA explained: Growth, investment, and affordable European products for Indian consumers

The Trade and Economic Partnership Agreement (TEPA) with a major European economic bloc marks a historic milestone in India's trade diplomacy, unlocking a new dimension of economic partnership. Formed in 1960, this European bloc is one of India's key trade partners, complementing the country's strategy to diversify relations with advanced economies. TEPA is designed as a growth-oriented partnership emphasizing investment and employment. Members of the bloc have pledged substantial investments in India over the next 15 years, with early inflows expected to generate around one million direct jobs, supporting industrial growth and strengthening the manufacturing base. The agreement provides Indian exporters broad market access through duty concessions on most tariff lines while protecting sensitive products. For Indian consumers, TEPA offers tangible benefits, as selected imported products will gradually become more affordable through phased tariff reductions, providing households with greater choice and competitive prices.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indiaefta-tepa-explained-growth-investment-and-affordable-european-products-for-indian-consumers/articleshow/124335934.cms?from=mdr>

Metric	3-Oct-2025 Rate	6-Oct-2025 Rate	Change
USDINR	₹88.7775	₹88.7859	+0.0084 ₹
EURINR	₹104.0804	₹103.9860	-0.0944 ₹
GBPINR	₹119.3211	₹119.3259	+0.0048 ₹
JPYINR	₹60.16	₹59.09	-1.07 ₹
NIFTY 50	24,894.25	25,077.65	+183.40 pts
BSE Sensex	81,207.17	81,790.12	+582.95 pts

