

## Top Story 1

### World Bank ups India's FY26 growth forecast, but cuts FY27 hopes on US tariffs

The World Bank has revised India's economic growth outlook upward for the upcoming fiscal year, projecting a 6.5% expansion compared to the earlier estimate of 6.3%. This improvement reflects strong domestic consumption, better agricultural performance, and rising rural wages, which have exceeded expectations. The report highlights that India continues to be the fastest-growing major economy, supported by robust internal demand and favorable economic fundamentals. Additionally, government-led reforms to streamline the Goods and Services Tax (GST) system—by reducing the number of tax brackets and simplifying compliance—are expected to further boost economic activity. However, the growth forecast for the following fiscal year has been slightly lowered to 6.3%, primarily due to the potential impact of higher global tariffs on exports. Overall, the outlook remains positive, with India's economy demonstrating resilience, strong domestic drivers, and continued progress toward sustainable growth despite external challenges.

<https://www.livemint.com/economy/india-economy-world-bank-raises-growth-forecast-us-tariffs-impact-11759823799990.html>

## Top Story 2

### India expected to remain world's fastest-growing major economy: World Bank

India is projected to remain the world's fastest-growing major economy, supported by strong consumption, improved agricultural output, and rising rural wages. The World Bank has raised India's growth forecast for FY26 to 6.5%, up from an earlier estimate of 6.3%, reflecting resilient domestic demand, a strong rural recovery, and positive impacts from recent tax reforms. While South Asia's overall growth is projected at 6.6% in FY26, it is expected to slow to 5.8% in 2026 due to global economic slowdown, trade policy uncertainties, socio-political unrest, and labor market disruptions from emerging technologies like AI. The report highlights opportunities for productivity gains through AI, emphasizing the need to upskill workers and maximize technology's benefits. To sustain growth, it recommends improving business regulations, transport and digital connectivity, housing transparency, and job matching, along with providing safety nets for workers affected by technological changes. These measures aim to enhance productivity, attract investment, and support inclusive growth.

<https://ddnews.gov.in/en/india-expected-to-remain-worlds-fastest-growing-major-economy-world-bank/>

## **Economy**

### **Expect India-EU trade deal by year-end**

Amid ongoing trade negotiations between India and the European Union (EU), officials expressed optimism that both sides will conclude a fair and balanced trade agreement by the end of the year, while respecting each other's sensitivities. High-level discussions are underway to address key issues, enhance market access, and create mutually beneficial opportunities for trade and investment. Senior representatives from India are set to visit the EU headquarters to advance the talks, focusing on resolving outstanding matters and finalizing the framework for cooperation. The proposed agreement aims to strengthen economic ties, increase exports, and attract investment, providing a boost to growth and employment. Both sides are emphasizing the importance of a transparent, equitable deal that fosters long-term collaboration and ensures a level playing field for businesses. Successful conclusion of the negotiations is expected to reinforce India's position as a reliable global trading partner.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/expect-india-eu-trade-deal-by-year-end-piyush-goyal/articleshow/124371132.cms?from=mdr>

## **Market**

### **India to introduce RBI-backed digital currency**

A new digital currency backed by the central bank is set to be launched soon, aiming to make financial transactions faster, safer, and more transparent while reducing paper usage in the economy. The digital currency will function like traditional money but in electronic form, carrying the full guarantee of the central bank. It will be fundamentally different from private cryptocurrencies, as it will be a sovereign-backed legal tender. The initiative is expected to simplify transactions, enhance traceability, and improve financial efficiency. Built on blockchain technology, the system will ensure transparency and accountability, helping to curb illegal or untraceable transactions. This move represents a major step toward the modernization of the financial ecosystem, supporting the transition to a secure and digitally empowered economy. By offering the reliability of fiat money with the advantages of digital innovation, it is expected to strengthen trust and promote financial inclusion on a large scale.

<https://www.thehindu.com/news/national/piyush-goyal-india-qatar-introduce-upi-rbi-backed-digital-currency/article70134067.ece>

## Finance

### ECB reforms a game-changer for India's credit markets, say top finance leaders

The recent reform on External Commercial Borrowings (ECB) has been described as a landmark move with an extremely positive long-term impact on India's growth. The change provides Indian corporates greater access to international debt markets, creating a level playing field with global peers. It addresses the growing need for large-scale funding to support India's expansion plans. Experts believe the reform will enable more efficient financing options, replacing costlier private and non-banking sources. The move is also expected to boost mergers and acquisitions, particularly among manufacturing and family-owned businesses, promoting consolidation and sustainable growth. Additionally, it allows financial institutions more flexibility to participate globally, fostering stronger integration with international markets. Overall, the reform is anticipated to attract significant capital inflows, enhance credit market efficiency, and strengthen India's position as a competitive and financially resilient economy.

<https://www.cnbctv18.com/economy/ecb-reforms-game-changer-indian-credit-markets-comments-top-finance-leaders-19710263.htm>

## Taxation

### India plans to double down on CBDC, reaffirms stance against crypto: report

India has announced plans to strengthen its central bank digital currency (CBDC) initiative while maintaining its cautious stance toward private cryptocurrencies. The proposed digital currency, backed by the Reserve Bank of India, aims to simplify financial transactions, reduce paper usage, and enhance efficiency and traceability compared to traditional banking systems. The initiative reflects India's preference for a secure, government-backed digital payment system over privately issued cryptocurrencies. Authorities emphasize that the digital currency will function like regular money but in electronic form, enabling faster and more transparent transactions. While cryptocurrencies are not banned, they remain heavily taxed to discourage speculative use. The government has also indicated that introducing full-scale crypto regulation could inadvertently legitimize the asset class, a step it wishes to avoid. Overall, the move underlines India's focus on financial innovation, security, and sustainability through a controlled digital transformation of its monetary ecosystem.

[https://www.tradingview.com/news/the\\_block:7ad823fc9094b:0-india-plans-to-double-down-on-cbdc-reaffirms-stance-against-crypto-report/](https://www.tradingview.com/news/the_block:7ad823fc9094b:0-india-plans-to-double-down-on-cbdc-reaffirms-stance-against-crypto-report/)

| Metric     | 9-Oct-2025 Rate | 10-Oct-2025 Rate | Change                      |
|------------|-----------------|------------------|-----------------------------|
| USDINR     | ₹88.7772        | ₹88.5688         | <a href="#">-0.2084 ₹</a>   |
| EURINR     | ₹102.7738       | ₹102.7600        | <a href="#">-0.0138 ₹</a>   |
| GBPINR     | Data NA         | Data NA          | —                           |
| JPYINR     | Data NA         | Data NA          | —                           |
| NIFTY 50   | 25,181.80       | 25,285.35        | <a href="#">+103.55 pts</a> |
| BSE Sensex | 82,271.10       | 82,599.82        | <a href="#">+328.72 pts</a> |

