

Top Story 1

OECD raises India's growth outlook to 6.7% in 2025 over domestic demand, GST reforms

India's GDP growth outlook has been revised upward to 6.7% for 2025, compared to the earlier projection of 6.3%, supported by strong domestic demand and reforms in the Goods and Services Tax (GST). While higher tariffs are expected to weigh on the export sector, overall activity is projected to remain resilient, aided by monetary and fiscal policy easing. Inflationary pressures, particularly food price inflation, have eased due to robust domestic supply and policy measures. Recent GST reforms, including a simplified two-slab structure, are expected to encourage household consumption. Additionally, tax relief measures are aimed at boosting disposable income, further supporting demand. Despite challenges from global trade barriers, India's economy has demonstrated resilience, with growth remaining above many peers. Strong public investment, domestic consumption, and structural reforms are likely to ensure that India sustains its growth momentum, positioning it as one of the fastest-growing major economies globally.

<https://economictimes.indiatimes.com/news/economy/indicators/oecd-raises-indias-growth-outlook-to-6-7-in-2025-over-domestic-demand-gst-reforms/articleshow/124069312.cms?from=mdr>

Top Story 2

OECD lifts India's FY26 growth outlook to 6.7%; S&P retains at 6.5%

India's growth forecast for the current financial year (FY26) has been raised to 6.7%, reflecting the impact of monetary and fiscal easing alongside GST reforms. These measures are expected to support domestic demand, boost consumption, and accelerate government investment. However, higher tariff rates are likely to weigh on the export sector, limiting external growth. Domestic activity remains resilient due to favorable monsoon conditions and tax reductions, which have increased household spending and business confidence. Global projections indicate that growth in other major economies may slow in the latter half of the year, as front-loaded production and trade ahead of higher tariffs fade. While investment in technology sectors has boosted activity in some regions, private consumption growth has weakened in parts of the US and Europe. Despite these external pressures, India's economy is expected to maintain strong domestic momentum, benefiting from policy support and structural reforms, positioning it as one of the fastest-growing economies in Asia-Pacific.

https://www.business-standard.com/economy/news/oecd-lifts-india-s-fy26-growth-outlook-to-6-7-s-p-retains-at-6-5-125092300993_1.html

Economy

India-EU upgrade of strategic and economic ties on the anvil

India's ties with the European Union are entering a pivotal phase, expanding beyond trade into strategic collaboration. The "New Strategic EU-India Agenda" focuses on security and defense, connectivity, sustainability, technology, innovation, and prosperity. Negotiations for a long-pending free trade agreement are nearing completion, which could enhance market access, boost exports, and attract investments. Both sides are also exploring trilateral initiatives in third countries and cooperation on the Indo-Pacific region. The EU has become India's largest trading partner, with bilateral trade surpassing that with the U.S., highlighting the economic significance of the relationship. Rising U.S. tariffs have accelerated India-EU talks, as both seek alternative markets and investment opportunities. While differences remain, including India's energy imports from Russia, the EU is taking a pragmatic approach, prioritizing long-term strategic and economic engagement. Strengthening this partnership provides India with a platform for increased global influence, economic growth, and diversification of trade amid geopolitical and economic uncertainties.

<https://www.awazthevoice.in/opinion-news/india-eu-upgrade-of-strategic-and-economic-ties-on-the-anvil-41873.html>

Digitalization

India's \$30 billion data centre boom: 3 'hidden' stocks to watch

India's data centre sector is experiencing a rapid boom, driven by rising cloud adoption, AI expansion, digital payments, e-commerce, and growing data traffic. Capacity has surged from 0.3 GW to 1.26 GW over recent years and is projected to quintuple to 8 GW in the next five years, requiring an estimated \$30 billion investment. This growth is creating opportunities across real estate, electrical and power systems, racks, cooling solutions, and network infrastructure. Beyond the well-known giants, several lesser-known companies are emerging as key beneficiaries of this expansion. Firms providing power backup solutions, cooling systems, and industrial equipment are seeing increased demand from data centres, which require uninterrupted operations and robust infrastructure. These companies are positioning themselves to capture a share of the growing domestic market, as the digital economy drives sustained demand for reliable and scalable data centre support services. The sector's growth signals strong long-term economic and technological momentum for India.

<https://www.financialexpress.com/market/stock-insights/indias-30-billion-data-centre-boom-3-hidden-stocks-to-watch/3986875/>

Market

RBI's new drive: Banks asked to 'find and return' money as unclaimed deposits surge past ₹67,000 crore

The central bank has directed banks to intensify efforts to return unclaimed deposits, including dividends, interest, and insurance proceeds, through a special three-month drive focusing on rural and semi-urban areas. Unclaimed deposits are balances in accounts or term deposits not operated or claimed for ten years, which are transferred to a dedicated fund, though depositors or heirs can claim them with interest at any time. Despite earlier awareness campaigns, dormant accounts and unclaimed funds have continued to rise. Banks maintain lists of unclaimed deposits on their websites, and the central bank has now asked them to run campaigns in local languages via print and electronic media to widen outreach. Committees will review unclaimed deposit data by age and concentration for targeted follow-ups. As of mid-2025, unclaimed deposits in public and private banks exceeded ₹67,000 crore. The central bank's dedicated portal has recorded over 8.5 lakh user registrations, enabling easier tracing and claiming of funds.

<https://upstox.com/news/business-news/latest-updates/rbi-s-new-drive-banks-asked-to-find-and-return-money-as-unclaimed-deposits-surge-past-67-000-crore/article-181839/>

Taxation

27+ FAQs on New GST Rate Changes in September 2025

India's GST system has undergone a major reform with the introduction of GST 2.0. The new framework simplifies the earlier four-slab structure into just two main rates: 5% and 18%. In addition, a special 40% rate has been introduced for luxury and sin goods. Essential items such as food and medicines now fall under the lower rate, easing the burden on households. At the same time, certain premium goods attract higher GST, ensuring better tax alignment. The reform is designed to reduce complexity, improve compliance, and create greater transparency in the tax system. For consumers, this means some everyday essentials, electronics, household goods, and transport services are now more affordable. On the other hand, higher-end products like premium clothing face increased costs. The key questions are whether businesses will pass on these savings to consumers, how monthly budgets will be impacted, and whether items like smartphones and laptops will become cheaper.

<https://www.jagranjosh.com/general-knowledge/faqs-on-new-gst-rate-change-in-september-2025-1820002793-1>

Metric	22-Sep-2025 Value	23-Sep-2025 Value	Change	Metric	22-Sep-2025 Value	23-Sep-2025 Value	Change
USDINR	88.116	88.808	+0.692 ₹ (≈+0.79%)	NIFTY 50	25327.05	25117.8	-209.25 pts (≈-0.83%)
EURINR			—	BSE Sense	82626.23	81889.71	-736.52 pts (≈-0.89%)
GBPINR			—				
JPYINR			—				