

## Top Story 1

### India's Goldilocks economy

India's recent economic performance reflects broad-based and balanced growth, even as gaps in human capital remain. Reforms in taxation are simplifying compliance and supporting smaller firms and lower-income households. Labour law changes are reducing market frictions, and although some flexibility affects a limited set of workers, new protections for gig workers and portable benefits provide a stronger safety net. Financing options for smaller businesses are gradually improving, and the steady shift toward formal savings is strengthening the financial ecosystem. India is increasingly resembling a modern, diversified economy. Sustaining high growth over the long term will require ongoing policy attention, but the latest strong growth figures, combined with low inflation, indicate conditions close to a "Goldilocks" scenario. External pressures have influenced recent export activity, yet currency movements may enhance competitiveness going forward. Overall, India's resilient performance offers valuable room for policymakers to address structural challenges more confidently.

<https://www.financialexpress.com/policy/economy-indias-goldilocks-economy-4062386/>

## Top Story 2

### India's economic rise will be shaped 'at, from and by the sea

India's maritime strength is increasingly seen as central to achieving its long-term economic and strategic goals. With its unique geography—mountains to the north and oceans on three sides—the nation has historically been shaped by maritime connections. This natural advantage underscores the need to prioritise the maritime domain to support India's rising economic aspirations. The growing scale of global sea-based trade, which now carries the overwhelming majority of India's trade volume, highlights how closely the country's economic future is tied to the oceans. Strengthening maritime capabilities and infrastructure is viewed as essential for supporting growth, enhancing strategic resilience, and safeguarding national interests. Harnessing ocean-based resources with clarity and purpose can deliver transformative benefits, contributing to India's journey toward becoming a more developed and globally influential economy. A balanced focus on maritime resources, opportunities, and risks is seen as crucial for securing India's long-term progress.

[https://www.business-standard.com/external-affairs-defence-security/news/india-s-economic-rise-will-be-shaped-at-from-and-by-the-sea-navy-chief-125120200037\\_1.html](https://www.business-standard.com/external-affairs-defence-security/news/india-s-economic-rise-will-be-shaped-at-from-and-by-the-sea-navy-chief-125120200037_1.html)

## **Economy**

### **India's creative economy to get new boost with white paper on policy reforms**

India's creative sector is being urged to scale up through stronger institutions, deeper collaboration, and innovation-driven reforms. At a recent summit, leaders highlighted the need for specialised creative institutes, closer industry–academia partnerships, and regional clusters to accelerate growth. A new white paper outlines actionable policy recommendations aimed at expanding India's creative capabilities, driving innovation, and positioning the country as a global leader in this space. Officials emphasized that the summit should be seen as part of a continuous movement encouraging creativity and progress. They noted that entertainment and creative expression are essential elements of civilization, contributing significantly to livelihoods and national output in India. Despite a rich cultural legacy, India holds only a small share of the global creative market, signalling both a challenge and a major opportunity. With rapid advances in technology, especially AI, experts urged creators to embrace new tools to strengthen India's soft power and global presence.

<https://indianexpress.com/article/india/india-creative-economy-to-get-new-boost-with-white-paper-on-policy-reforms-10396663/>

## **Market**

### **India's CAD moderates to US\$ 12.3 billion in Q2**

India's current account deficit (CAD) has moderated, reflecting an improvement in the country's external position. The CAD declined to a lower level compared to the previous year, supported by a reduced merchandise trade deficit and stronger services performance. Services exports, especially in technology and business segments, recorded solid growth, increasing net services receipts. On the financial account, foreign direct investment saw a shift toward positive net inflows, indicating improved investor confidence. In contrast, foreign portfolio investment moved into net outflows, reversing the inflows seen earlier. External commercial borrowings registered lower net inflows than before. For the first half of the financial year, India's CAD declined significantly as a share of GDP, while net FDI inflows increased. However, foreign portfolio flows weakened, and the country experienced a decline in foreign exchange reserves on a balance-of-payments basis, compared to the earlier accretion.

[https://www.business-standard.com/markets/capital-market-news/india-s-cad-moderates-to-us-12-3-billion-in-q2-rbi-125120200180\\_1.html](https://www.business-standard.com/markets/capital-market-news/india-s-cad-moderates-to-us-12-3-billion-in-q2-rbi-125120200180_1.html)

## Finance

### RBI Deputy Governor bats for T20 agility, Test stability in finance

India's financial system, according to a senior central bank official, should combine the agility of T20 cricket with the stability of Test cricket. The fast pace and innovation of T20 are essential, but they must be grounded in long-term prudence to build institutions that grow sustainably. The official explained that the central bank acts like an umpire—setting rules, ensuring fair play, and intervening only when needed—while financial institutions are responsible for serving customers, managing risks, and supporting growth. He stressed that strong governance, ethical culture, and clarity of purpose help organisations withstand economic cycles and maintain trust. With technology blurring lines between traditional players and digital platforms, competition now comes from both established institutions and apps used by customers. Risks have become more complex, and new categories have emerged. He added that the future lies not in rivalry but in meaningful partnerships between banks and fintechs, combining agility with trust and resilience.

[https://www.business-standard.com/finance/news/rbi-swaminathan-t20-test-cricket-financial-system-governance-125120100953\\_1.html](https://www.business-standard.com/finance/news/rbi-swaminathan-t20-test-cricket-financial-system-governance-125120100953_1.html)

## Taxation

### India's gross GST collections rose to ₹1.7 trillion in November over lower tax rates

India's recent tax reductions have slowed revenue growth but successfully boosted consumption, according to officials. GST collections in November were broadly stable at around the same level as last year, yet underlying taxable value surged sharply in the two-month period following the rate cuts. Officials noted that taxable supplies grew significantly faster than in the previous year, indicating strong demand expansion supported by lower rates and improved compliance. The November GST data reflects the first full month after the rate revision and captures the immediate impact on spending patterns. While overall revenue growth remained modest, higher business turnover was recorded across multiple segments, showing broad-based consumption recovery. Officials said the trends align with the principle that moderate tax rates can stimulate economic activity while maintaining revenue stability. After refunds, GST revenue posted slight growth, and cumulative collections for the fiscal year continued to rise, suggesting resilient demand and supportive macroeconomic conditions.

<https://www.livemint.com/economy/indias-gross-gst-collections-rose-to-rs-1-7-trillion-in-november-over-lower-tax-rates-11764581959348.html>

Metric	1-Dec-2025 Rate	2-Dec-2025 Rate	Change
USDINR	₹89.4910	₹89.8730	+0.3820 ₹
EURINR	₹104.2823	Data NA	—
GBPINR	₹118.40	Data NA	—
JPYINR	Data NA	0.5762 per 1 JPY	—
NIFTY 50	Data NA	26,330.10	—
BSE Sensex	Data NA	Data NA	—

