

## Top Story 1

### **India's march towards trillion-dollar digital economy gathering speed**

India's progress toward a trillion-dollar digital economy is accelerating, but a recent national assessment highlights significant gaps in digital readiness across states. The Technology Readiness Index evaluates regions on factors such as access, infrastructure, business ecosystems, and policy environments, revealing a striking divide between the more advanced southern and western regions and the slower-moving eastern and northeastern areas. States leading the transformation have benefited from sustained investments in connectivity, skilled talent, innovation, and strong policy execution, creating a cycle where better infrastructure attracts more investment and further strengthens digital capabilities. In contrast, many northern and eastern regions show uneven progress, with strengths in basic access but weaker digital infrastructure and technology-driven business ecosystems. The analysis shows that disparities are largest in areas like fibre coverage, high-speed connectivity, digital services, and technology clusters. Overall, India is rapidly digitising, but uneven state-level readiness remains a key challenge to inclusive digital growth.

<https://www.dailyexcelsior.com/indias-march-towards-trillion-dollar-digital-economy-gathering-speed-report/>

## Top Story 2

### **India's WPI inflation eases to 0.13% in September 2025**

India is projected to remain the world's fastest-growing major economy in the coming years, despite challenges to exports from high US tariffs. The economy is expected to grow at a robust 6.5% annually through 2026 and 2027, supported by strong domestic demand, diversified exports, and sustained infrastructure investment. Consumption remains solid, helping to drive economic momentum, even as private businesses continue to exercise caution in capital spending. Indian exporters have successfully mitigated the impact of steep tariffs by redirecting shipments to other international markets, ensuring overall export growth. In September, total exports rose by 6.75%, despite a decline in shipments to the US, highlighting the effectiveness of market diversification. These developments demonstrate India's economic resilience and adaptability amid global headwinds. Continued policy support, combined with domestic demand strength and export diversification, positions India to maintain its leadership as the fastest-growing major economy, reinforcing investor confidence and long-term growth prospects.

<https://www.fibre2fashion.com/news/textile-news/india-s-wpi-inflation-eases-to-0-13-in-september-2025-305875-newsdetails.htm>

## Economy

### India–US trade deal likely by March as most issues resolved

India's chief economic representative indicated that a long-pending trade agreement with a major partner is close to completion, noting that most issues have already been resolved. He said the deal had been expected earlier but remains unfinished, though he would be surprised if it is not concluded by the end of the financial year. Negotiators from the other side are currently in India as both parties work to settle remaining differences, especially those linked to high tariffs that have affected Indian exporters. Although talks have stretched longer than expected, optimism remains that an initial agreement could be reached soon. He added that both geopolitical and trade considerations are influencing the pace of negotiations. Despite external uncertainties, India's domestic economy is performing strongly, supported by resilient consumption and a healthy rural sector. Exporters have managed to cushion the impact of tariffs by shifting to alternative markets. A weaker currency has also aided export competitiveness during this period.

<https://www.thehindubusinessline.com/economy/indiaus-trade-deal-likely-by-march-says-cea-nageswaran/article70383781.ece>

## Market

### India's western, southern regions contribute 54% deposits of banks as of March 31, 2025, shows RBI data

India's western and southern regions accounted for a significant share of the nation's total bank deposits, contributing more than half of the overall amount. The western region remained the highest contributor, supported by strong economic activity and large urban financial centers. The southern region also played a major role, reflecting rising income levels, business growth, and increasing financial participation. On the lending side, banks extended substantial credit to both regions, highlighting their importance in India's economic landscape. The southern region received large credit allocations across key sectors, showing steady demand for investment and expansion. The western region also attracted notable credit, emerging as the largest recipient of bank lending in the country. The combined strength of deposits and credit in these regions underscores India's growing financial depth, regional economic momentum, and the expanding role of its banking system in supporting development and business growth across the nation.

<https://www.moneycontrol.com/news/business/india-s-western-southern-regions-contribute-54-deposits-of-banks-as-march-31-2025-shows-rbi-data-13721816.html/amp>

## Finance

### India secures \$135 billion in FDI commitments in 2025 amid global investment surge

India is experiencing a significant rise in investment commitments, with global companies pledging a substantial amount in 2025. A portion of these funds has already begun entering the country, while others—especially in fast-moving segments—are expected to materialise within a short period. When distributed over the next few years, this pipeline represents a strong annual addition to India's investment inflows, signalling growing international confidence in the country's economic prospects. Official figures also indicate that total inflows have increased notably in the current financial period, supported by both new investments and reinvested earnings. Policymakers believe India may cross a major milestone in overall inflows for the first time, reflecting the country's expanding role as a preferred global destination. The surge in commitments from various multinational groups further strengthens expectations of sustained investment momentum, reinforcing India's position as one of the most attractive markets for long-term growth and development.

<https://economictimes.indiatimes.com/news/economy/indicators/india-secures-135-billion-in-fdi-commitments-in-2025-amid-global-investment-surge/articleshow/125908533.cms?from=mdr>

## Taxation

### Indian companies seek re-introduction of tax incentives for setting up new manufacturing units in FY27

#### Budget

Indian companies are urging the government to reintroduce a concessional corporate tax rate to support expansion of new manufacturing units in the upcoming budget. A lower tax rate previously offered to new manufacturing companies encouraged fresh investments but was withdrawn, leading many firms to request its revival. The demand has gained momentum as global supply chain shifts and tariff uncertainties are prompting companies to reassess production locations, with India emerging as a preferred destination. Currently, corporates can opt for a moderate concessional tax rate if they forgo other incentives, but the earlier lower rate for manufacturing was seen as a stronger catalyst for attracting large-scale investments. Experts note that the earlier policy boosted India's appeal for new facilities, supported job creation, encouraged technology inflow, and complemented national manufacturing goals. Reintroducing the incentive, they argue, could generate wider economic benefits beyond tax collections, especially as global realignments accelerate.

<https://www.moneycontrol.com/news/business/indian-companies-seek-re-introduction-of-tax-incentives-for-setting-up-new-manufacturing-units-in-fy27-budget-13721682.html>

Metric	11-Dec-2025 Rate	12-Dec-2025 Rate	Change
USDINR	₹90.2560	₹90.4000	+0.1440 ₹
EURINR	Data NA	Data NA	—
GBPINR	Data NA	Data NA	—
JPYINR	Data NA	Data NA	—
NIFTY 50	25,758.00	Data NA	—
BSE Sensex	84,391.27	Data NA	—