

Top Story 1

Third largest economy soon! PM Modi highlights India's growth story in Jordan - growth above 8%

India is on track to become the world's third-largest economy, with growth exceeding 8%, driven by productivity, strong governance, and innovation-led policies. This robust economic momentum is creating multiple opportunities for global partners across sectors. Leaders highlighted that India's growth trajectory provides a favorable environment for investment, trade, and collaboration, offering avenues for international businesses to participate in the country's expansion story. Emphasis was placed on enhancing bilateral trade, with plans to significantly increase trade volumes over the coming years. The discussions also focused on deepening cooperation in key sectors, leveraging India's strengths in innovation, infrastructure, and a rapidly growing market. By aligning strategic partnerships, countries and investors can benefit from India's evolving economic landscape while contributing to mutual growth. Overall, India's sustained high growth and structural reforms are positioning it as a key global economic player, attracting investment, fostering collaboration, and opening new pathways for trade and business opportunities worldwide.

<https://timesofindia.indiatimes.com/business/india-business/third-largest-economy-soon-pm-modi-highlights-indias-growth-story-in-jordan-growth-above-8/articleshow/125998221.cms>

Top Story 2

India Economic Conclave 2025:

The India Economic Conclave 2025, held over two days in New Delhi, brings together top policymakers, industry leaders, and global experts to discuss India's growing geoeconomic influence. The event features keynote addresses by senior government leaders and focuses on India's role in shaping global economic outcomes, covering trade, technology, energy security, and geopolitics. With India's economic momentum, digital transformation, and strategic diplomacy, the conclave highlights the country's shift from reacting to global changes to actively driving them. Over 40 sessions will explore how India can navigate a rapidly evolving global landscape and strengthen its position as a leading large economy. The forum provides a platform for decision-makers, economists, technologists, investors, and industry leaders to deliberate on policies, investment opportunities, and economic strategies. By fostering dialogue and collaboration, the conclave aims to chart a roadmap for India's sustainable growth, innovation, and influence in the world economy.

<https://www.timesnownews.com/business-economy/economy/india-economic-conclave-2025-day-1-schedule-venue-and-where-to-watch-live-article-153304633>

Economy

India's Economy Seen Growing At 7.5% With Cooling Inflation, Says Axis Bank's Neelkanth Mishra

India's economy is projected to grow at 7.5% in the next fiscal year, exceeding the trend growth of 7%, supported by structural reforms, regulatory easing, lower borrowing costs, faster capital formation, and a cyclical boost from policy measures. This above-trend expansion is expected to occur without triggering significant inflationary pressures, as the economy currently exhibits slack. Headline inflation is forecasted at around 4%, even with a potential rebound in food prices, remaining within the comfort zone of the central bank. Median inflation, considered a better gauge of underlying price pressures, has stayed stable at approximately 3% over the past 18 months, further indicating persistent economic slack. The supportive monetary environment, combined with easing fiscal drag and ongoing reforms, is expected to sustain robust growth over the medium term. This outlook reflects strong domestic demand, improving investment conditions, and confidence in India's continued economic resilience, providing a favorable environment for businesses and consumers alike.

<https://www.news18.com/amp/business/economy/indias-economy-seen-growing-at-7-5-with-cooling-inflation-says-axis-banks-neelkanth-mishra-9774732.html>

Market

India RBI adds US\$5 bil via currency swap to boost liquidity

India's central bank has injected a significant amount of liquidity into the banking system through a foreign-exchange swap operation, responding to emerging signs of tight liquidity among lenders. Under this mechanism, dollars are purchased from banks in exchange for rupees, with an agreement to reverse the transaction at a later stage. This approach releases rupee liquidity upfront and helps ease funding pressure in the financial system. The move is part of a broader plan to infuse substantial liquidity over the month, alongside bond purchases and short-term cash injections. These measures are intended to counter the impact of foreign-exchange market interventions, stabilise the domestic currency, and prevent excessive tightening of market interest rates. Liquidity surplus with banks has declined sharply in recent months, prompting proactive intervention. Strong participation in the swap auction reflected healthy demand from lenders. Overall, the actions aim to support credit availability, manage borrowing costs, and maintain financial stability as India navigates external pressures and moderating economic conditions.

<https://theedgemaalaysia.com/node/786174>

Finance

India aims for 25% share in global trade: Finance Minister Nirmala Sitharaman

India is working towards capturing a significantly larger share of global trade by building on strong macroeconomic foundations, a resilient growth trajectory, and a rapidly expanding entrepreneurial ecosystem. Amid a changing global trade environment marked by tariffs and strategic barriers, India is positioning itself as a constructive and reliable partner that prefers dialogue and cooperation while firmly safeguarding its national interests. The country's steady, people-centric growth has been shaped by decades of adaptation to global and domestic shifts. Broad-based financial inclusion has brought millions into the formal system, improving access to savings, credit, and insurance. Social development measures, improved housing, better healthcare access, and rising workforce participation have strengthened economic resilience. Large investments in infrastructure have enhanced connectivity and reduced regional imbalances, improving overall efficiency. Entrepreneurship and innovation are spreading beyond major cities into smaller towns and rural areas, supported by digitalization and easier access to formal credit. With services contributing a major share to economic output and employment, and innovation being actively nurtured, India is steadily strengthening its position as an influential player in global trade.

<https://boldnewsonline.com/amp/india-aims-for-25-share-in-global-trade-finance-minister-nirmala-sitharaman/>

Taxation

Income tax refund with wrong claims: Up to 200% penalty, criminal action for wrong tax refund claim;

India's tax authorities have uncovered a widespread network of intermediaries involved in filing income tax returns with fraudulent deductions and exemptions. These agents allegedly helped taxpayers unlawfully reduce their tax liabilities and obtain illegitimate refunds by inflating or fabricating claims under existing tax provisions. Investigations revealed that some intermediaries operated pan-India networks, filing returns on a commission basis and systematically misusing deduction routes. A significant number of bogus claims were linked to questionable donations made to certain political and charitable entities. The authorities have adopted a firm policy approach to curb artificial tax planning and deter false claims. This includes the use of advanced data analytics, artificial intelligence-based risk profiling, and extensive third-party verification. Abnormal deduction patterns are identified and cross-checked using banking data, transaction records, tax statements, and identity-linked databases. The crackdown highlights the serious consequences of non-compliance, with potential impacts on taxpayers' financial credibility, credit standing, and future regulatory scrutiny, reinforcing the importance of accurate and honest tax filing in India.

<https://economictimes.indiatimes.com/wealth/tax/income-tax-refund-wrong-claims-up-to-200-penalty-criminal-action-for-wrong-tax-refund-claim-check-exactly-what-will-happen/articleshow/126003532.cms?from=mdr>

Metric	16-Dec-2025 Rate	17-Dec-2025 Rate (spot, approx.)	Change
USDINR	₹90.95	₹90.80–90.90 (intraday range)	≈ -0.05 to -0.15 ₹
EURINR	Data NA	Data NA	—
GBPINR	Data NA	Data NA	—
JPYINR	Data NA	Data NA	—
NIFTY 50	Data NA	Data NA	—
BSE Sensex	Data NA	Data NA	—