

## Top Story 1

### **India has potential to become \$ 55 trillion economy by 2047**

India has the potential to become a USD 55 trillion economy by 2047 if state and central governments work hard to implement policies that will take the country's growth from "what has been historically 7 % to 8% (in rupee terms)", Krishnamurthy V Subramanian, Executive Director of the International Monetary Fund (IMF) said recently. In an interactive session during the launch of his book 'India @100' at Indian School of Business (ISB) here, Subramanian said becoming a USD 55 trillion economy by 2074 may appear audacious, but it is achievable. He also said India's private credit to GDP ratio was 58 per cent in 2020, six decades behind the advanced economies which are now at 200 per cent, though there is phenomenal work being done in terms of financial inclusion through schemes like 'Pradhan Mantri Jan-Dhan Yojana'.

## Top Story 2

### **New UPI Setup Platform Targets India's Booming Digital Payments Market**

According to data from the National Payments Corporation of India (NPCI), UPI transactions have skyrocketed by 137 per cent between June 2022 and June 2024. Person-to-merchant (P2M) transactions alone have surged by 241 per cent, growing from 2.56 billion transactions in June 2022 to 8.72 billion in June 2024. UPI's speed, ease of use and impressive 100 per cent uptime between February and June 2024 have driven this consumer-led growth. The widespread acceptance of UPI as a payment method across both urban and rural India is evident, with nearly 80 per cent of digital payments now being processed through UPI. In contrast, traditional payment methods like debit cards have seen a significant decline, with transactions dropping by 34 per cent year-on-year as reported in the second half of 2023.

## Market: -

### Rupee trades in narrow range against US dollar in early trade

The Indian rupee traded in a tight range appreciated 3 paise to 83.94 against the US dollar in early trade recently on positive domestic macroeconomic data. However, a muted trend in domestic equities and foreign fund outflows capped the gains for the local unit. At the interbank foreign exchange, the rupee opened at 83.95 against the greenback and traded in a tight range. In initial trade it touched 83.94, registering a gain of 3 paise over its previous close. The rupee settled for the day lower by 2 paise at 83.97 against the American currency. Forex traders said market participants are trading cautiously amid a landscape fraught with geopolitical uncertainties and a consolidating US Dollar. However, the Indian rupee is trading in a narrow range and the stability is underpinned by several factors: a narrowing fiscal deficit, stable oil prices, stronger economic growth and the RBI's substantial reserves of \$675 billion, ready to be deployed if needed, CR Forex Advisors MD Amit Pabari said.

**Finance: -**

## **RBI has increased UPI transaction limit to up to Rs 5 lakh for these payments**

The Reserve Bank of India (RBI) announced recently (August 2024) an increase in the Unified Payments Interface (UPI) transaction limit for tax payments. The new limit stands at Rs 5 lakh per transaction, a significant jump from the previous limit of Rs 1 lakh. According to RBI governor Shaktikanta Das, the increase limit will “further ease tax payments by consumers through UPI.” “Currently, the transaction limit for UPI is Rs 1 lakh except for certain categories of payments which have higher transaction limits. It has now been decided to enhance the limit for tax payments through UPI from Rs 1 lakh to Rs 5 lakh per transaction,” as per a statement by the governor, released after the 50th meeting of the Monetary Policy Committee (MPC).

## **Investment: -**

### **FDI in India's manufacturing sector hits \$165 billion, 69% growth in last 10 years**

The country is emerging as a top destination for foreign investment in the manufacturing sector and in the last decade, foreign direct investment (FDI) inflows in the sector surged almost 69 per cent to reach \$165.1 billion, according to the government. Minister of State for Commerce and Industry, informed that FDI equity inflow in the manufacturing sectors in the last 10 financial years (2014-24) has increased by 69 per cent to \$165.1 billion as compared to \$97.7 billion in the previous 10 financial years (2004-14). In a reply to a question in the Rajya Sabha, the minister said that the total FDI inflow of \$383.5 billion came during the past five financial years (2019-20 to 2023-24) alone, mainly driven by production-linked incentive (PLI) schemes. According to a latest International bank survey, the manufacturing activity in India continued to expand at a robust pace in July on the back of strong domestic demand and new export orders.

## Digitalization: -

### India to launch NPCI developed UPI payment service in Maldives

India and Maldives have recently taken a significant step towards strengthening their economic partnership by signing an agreement to introduce the Unified Payments Interface (UPI) in the Maldives. According to India's External Affairs Minister S. Jaishankar, the initiative is expected to have a "very positive" impact on the archipelago nation's tourism sector. The Memorandum of Understanding (MoU) was signed during Jaishankar's three-day official visit to the Maldives, marking a new chapter in the bilateral relationship between the two countries. Developed by the National Payments Corporation of India (NPCI), UPI is an instant real-time payment system that facilitates inter-bank transactions through mobile phones. Addressing the press alongside his Maldivian counterpart, Moosa Zameer, Jaishankar emphasized how UPI has "revolutionized digital transactions" in India. He noted that the system has significantly advanced financial inclusion in India, with 40% of the world's real-time digital payments now taking place in the country.

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.967	0.025	NIFTY 50	24,156.20	-190.8
EURINR	92	-0.0935	BSE Sensex	79,044.81	-604.11
GBPINR	107.398	0.247			
JPYINR	56.8018	-0.1863			