INDIA REPORT

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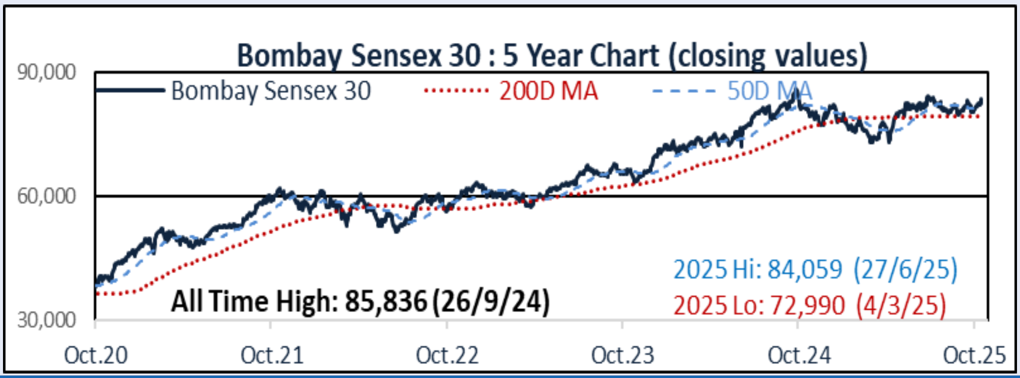

Close: 17 Oct 2025	Level	Index Pts Chg-Day	% Chg YTD
SENSEX 30	83,952	+485	+ 7.3%
NIFTY 50	25,710	+125	+ 8.3%

Other Markets: Level & (% YTD)

ASIA: CHINA Shanghai: 3,840 (+15%)
JAPAN Nikkei 225: 47,582 (+19%)
EUROPE: UK FTSE: 9,350 (+14%)
GERMANY DAX: 23,880 (+20%)
USA: Dow Jones: 46,062 (+8%)
NASDAQ Composite: 22,530 (+16%)
GOLD: $4,271.99 (+63%)
SILVER: $52.69 (+82%)
BRENT OIL: 61.03 (-18%)

Indian Currency; Level & (%YTD)

INR ₹ / USD	$1=	Rs88.00 (-2.9%)
INR ₹ / GBP	£1=	Rs118.10 (-9.8%)
INR ₹/ EUR	€1=	Rs102.75 (-15.2%)

⇨ **Following the July signing of the India-UK Comprehensive Economic and Trade Agreement (CETA) during Prime Minister Modi's visit to Britain, UK Prime Minister Sir Keir Starmer made his first official trip to India on 8–9 October, stopping in Mumbai. Unlike a traditional Free Trade Agreement (FTA), a CETA is far more comprehensive and spans climate cooperation, digital trade, investments, services, education and defence, signalling a strategic deepening of bilateral ties beyond tariff cuts and market access, aligning economies in an evolving global trade landscape.**

⇨ **In a warm and dazzling Mumbai welcome, PM Modi greeted UK PM Sir Keir Starmer with 5,700 billboards, underscoring a pivotal India-UK summit.** The leaders advanced CETA talks, targeting transformative trade and investment under the India-UK Vision 2035. **The strategic blueprint aspires to double bilateral trade by 2030, while deepening economic, cultural, and educational ties—marking a defining moment in post-Brexit global realignment.**

⇨ **While New Delhi is the capital of India and from where broader politics and diplomacy is conducted, Mumbai remains the country's financial capital. It is home to the Reserve Bank of India, financial markets regulator SEBI, the National Stock Exchange (NSE), the Bombay Stock Exchange (BSE), and the headquarters of many of India's leading conglomerates, including the Tata Group and Reliance Industries.**

⇨ **The visit achieved significant benefits for the UK and India with the deals struck.** 64 Indian companies would collectively invest GB£1.30 billion ($1.75 billion) in Britain. An Indian foreign ministry statement said the two sides agreed to set up a connectivity and innovation centre and a joint centre for AI, and unveiled a critical minerals industry guild to bolster supply chains and promote green technologies. **Starmer's government has been tightening rules around international students and has said more Indian visas were not on the agenda for talks. Instead, nine UK universities are to set up campuses in India. Meanwhile, Bollywood eyes the UK, with three films set to shoot there from 2026.**

⇨ **Signalling deeper defence ties, Britain affirmed respect for India's strategic autonomy, despite policy divergences.** London announced a £350 million deal to supply India's army with Northern Ireland-built lightweight multi-role missiles, alongside a £250 million collaboration on electric naval engines. **As India gradually reduces reliance on Russian arms, it is increasingly sourcing from Western allies like the U.K., France, Israel, and the U.S.**

⇨ **Avoiding direct mention of Trump-era tariffs, both PM Modi and PM Starmer championed trade as a win-win, rejecting zero-sum tactics.** "India and UK have shown the world the way on global trade and using that trade as a win-win partnership," PM Modi told a global fintech conference. PM Starmer hailed the partnership as "a huge win" for both nations. "This relationship matters more than ever," Starmer told reporters at a press conference before he flew home. **"We're opening up new opportunities in India for British businesses, opportunities that other countries simply do not have. It has given us a unique edge."**

⇨ **The IMF has raised India's growth forecast for FY 2025/26 (year ending 31 March 2026) to 6.6%, up by 0.2%.** This revision reflects a strong first quarter performance, driven by robust private consumption, which more than compensates for the impact of higher U.S. tariffs on Indian imports. **Despite facing a challenging export environment due to a steep tariff hike by the U.S., India's GDP surged by 7.8% in Q1, cementing its position as the fastest-growing major economy.**

⇨ **However, the IMF lowered India's growth forecast by 0.2 percentage points to 6.2% for the next fiscal year ending 31 March 2027. IMF's upgrade comes a week after the World Bank raised its India growth forecast for 2025/26 to 6.5% from 6.3%, while trimming its projection for the next fiscal year by 0.20% to 6.3%.**

⇨ **Amid New Delhi's diplomatic chill with Washington over tariffs and a stalled trade pact, Google pledged $15 billion over five years to build its largest AI hub outside the U.S., in Andhra Pradesh.** The move marks its biggest India investment. Microsoft and Amazon have already committed billions to India's booming digital economy, home to nearly a billion internet users. Indian tycoons Gautam Adani and Mukesh Ambani are committed to expand domestic data centre infrastructure, underscoring India's central role in the global AI and cloud computing race. **Despite background geopolitical tensions.**

20 OCTOBER 2025: HAPPY DIWALI AND ALL GOOD WISHES FOR A PROSPEROUS NEW YEAR

A short background on Diwali ("the festival of lights" which is the Hindu New Year), on 20 October this year (follows the lunar calendar):

This is part of Hindu mythology and Diwali symbolises the conquest of good over evil, the triumph of light over darkness, and the victory of knowledge over ignorance.

Ravana, who had ten arms and ten heads, was the wicked king of the island of Lanka. He kidnapped the wife of Lord Rama.

After a great battle, Rama killed the demon and rescued his wife, Sita.

Rama's return with his wife, Sita, and his subsequent coronation as King is celebrated as Diwali. The people of the kingdom put little lamps (called "deepaks") outside their houses so that the new King and Queen could find their way home. Thus, the beginning of the tradition of the festival of lights.

Diwali symbolises the conquest of good over evil, the triumph of light over darkness, and the victory of knowledge over ignorance.

It is the start of the Hindu New Year and is celebrated as a family event.

FORTHCOMING EVENT: INDIAN INSTITUTE OF DIRECTORS, 2025 ANNUAL LONDON GLOBAL CONVENTION

Title: Boards in an Unpredictable World: Navigating Geopolitical Shifts, Climate Crises & Technological Disruptions

- **4-5 November 2025:** **Global Convention at Hotel Montcalm, Marble Arch, London W1H 7TN**
- **6 November 2025:** **High profile business lunch at House of Lords, Westminster**
- **7 November 2025:** **Special session at the University of Westminster**

https://www.iodglobal.com/upcoming-events/details/london-global-convention-2025

Excellent networking event providing an opportunity to meet senior executives of companies and government officials from India, the UK and other countries.

- Dinner and Golden Peacock Awards for Corporate Governance and Sustainability on 4 November 2025
- High profile global speakers covering Corporate Governance and Sustainability
- **Please contact and book directly with IOD (India) using the link above**

  or enquiries to Mr Sushil Kumar, General Manager Conferences, IOD (India) : sushil@iodglobal.com
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