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INSIDE THIS ISSUE
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TIMES
THE RANCHI PRESS CLUB
Dr. Ravindra Kumar Rai, President (Working), Jharkhand State BJP and Shri Samir Oraon, National President Tribe Wings BJP at Viksit Bharat Youth Summit 2025, Ranchi
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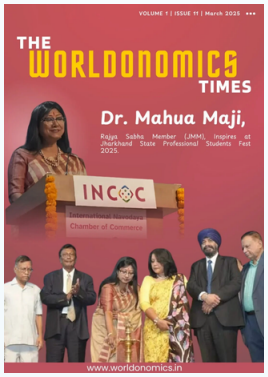

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TIMES
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WORLDONOMICS
TIMES
Innovation Ignition: Fueling Economic Growth
Overview of Risk Analysis in Mutual Funds
Shri Joshit Ranjan Sikidar
Director Finance
Solar Energy Corporation of India Limited
Prosperity's Promise: Economic Growth Starts with Human Development
www.worldonomics.in


THE
WORLDONOMICS
TIMES
The Future of Gold: Technology, Tokenization and the Green Economy
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Green Hydrogen (GH2): Potential, Prospects & Challenges in India
Artificial Intelligence: Ethical Considerations and Future Prospects
CS Dhananjay Shukla
President
The Institute of Company Secretaries of India
Auditing in the Digital Age: Transforming Assurance and Compliance


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TIMES
Representatives held a meeting with CMA Rajesh Dwivedi, Director Finance at BHEL, to discuss finance-related matters.
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FROM THE EDITOR'S DESK

Navigating Change, Creating Opportunities and Shaping the Future



Sandeep Kumar
(FCMA, ACA)

Editor-in-Chief
The Worldonomics Times

Dear Readers,

The global economy is passing through a period of profound transformation. Geopolitical developments, technological innovation, changing trade relationships, evolving financial systems and the growing importance of economic resilience are reshaping the way nations, businesses and institutions operate. In this rapidly changing environment, access to reliable information, informed analysis and forward-looking perspectives has become more important than ever.

As we present the November 2026 edition of **The Worldonomics Times**, our endeavour remains to bring readers closer to the economic developments, policy decisions and business opportunities that are shaping India's growth story and the global economy's broader landscape.

India stands at an important juncture in its development journey. With its expanding manufacturing capabilities, growing digital infrastructure, entrepreneurial ecosystem and increasing engagement with international markets, the country has significant opportunities to strengthen its position in the global economy. However, sustainable growth will require more than economic expansion. It will depend on innovation, productivity, institutional strength, skill development and the ability to convert opportunities into measurable outcomes.

This edition places special emphasis on **Manufacturing MSMEs – The Next Growth Engine of India's Industrial Economy.** Micro, Small and Medium Enterprises are not merely contributors to economic activity; they are essential drivers of employment, entrepreneurship, innovation and inclusive development. Strengthening their access to finance, technology, government procurement, domestic and international markets will be critical to achieving the vision of a developed India.

We also explore the emerging world economic order, global investment trends, the evolution and expansion of BRICS, and the possibility of a multipolar currency system. These developments highlight the changing balance of economic influence among nations and the increasing importance of international cooperation, strategic partnerships and diversified trade relationships.

Artificial Intelligence is another defining theme of this edition. Its impact extends far beyond the technology sector, influencing manufacturing, financial services, education, healthcare, governance and employment. The challenge before businesses and policymakers is to ensure that technological progress translates into productivity, better opportunities and inclusive prosperity.

Energy security, geopolitical developments and global economic growth also deserve close attention. Nations must balance affordability, sustainability and strategic independence while building resilient supply chains and strengthening economic cooperation.

Alongside these global perspectives, we continue our focus on India's policy and regulatory environment through coverage of important developments relating to Income Tax, GST, Customs, DGFT, SEBI, RBI and other regulatory institutions. Our objective is to help professionals, entrepreneurs, corporate leaders and policymakers remain informed and better prepared for emerging opportunities and responsibilities.

At ***The Worldonomics Times***, we believe that knowledge becomes meaningful when it leads to informed decisions and positive action. Our publication seeks to serve as a bridge between economic knowledge, professional expertise, business opportunities and institutional development.

I sincerely acknowledge the valuable contributions of our editorial board members, advisors, authors, professionals and well-wishers. Their continued support and commitment strengthen our mission of promoting economic awareness, professional excellence and business collaboration.

As we move forward, let us embrace change with confidence, pursue opportunities with responsibility and work collectively towards a stronger, more competitive and inclusive Indian economy.

Knowledge inspires. Collaboration empowers. Progress transforms.

Warm regards,

Sandeep Kumar (FCMA, ACA)
Editor-in-Chief
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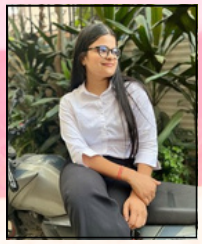

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CONTENTS

INSIDE THIS ISSUE



Analysis of Notifications & Circulars – October 2026
CMA Yash Paul Bhola
Ex-Director (Finance), NFL – National Fertilizers Limited
08



RBI's Monetary Stance, MSME Credit Support, GST Readiness and New Government Priorities
Sandeep Kumar (FCMA, CA)
National President – International Navodaya Chamber of Commerce
24



Manufacturing MSMEs – The Next Growth Engine of India's Industrial Economy
CA Sangam Aggarwal
National Vice President, International Navodaya Chamber of Commerce
34



The New World Economic Order – How Global Power Is Shifting Between Nations
CMA Gaurang Dixit
Former CMD NSIC ,
38



Global Investment Trends – Where Is the World's Capital Moving?
CMA R. C. Gupta
Former Executive Director GAIL
45



The Future of Artificial Intelligence – How AI Will Transform the Global Economy
CMA CS Subhash Aggarwal
Former Director Finance CCI
51



World Economy 2026 – Growth, Risks and the New Global Economic Order
CMA Manoj Kumar Singh
Jharkhand State Head, International Navodaya Chamber of Commerce
58



The Evolution and Expansion of BRICS – From Four Emerging Economies to a Wider Platform for Global Cooperation
CMA Tarun Kumar Moitra
Delhi State Head, International Navodaya Chamber of Commerce
62



Artificial Intelligence and the Future of the Global Economy
CMA Sandeep Saxena
Uttar Pradesh State Head, International Navodaya Chamber of Commerce
67



Is the World Moving Towards a Multipolar Currency System?
CMA Khaja Jalal Uddin
Telangana State Head, International Navodaya Chamber of Commerce
72



China's Economy 2026 -Growth, Structural Challenges and Its Impact on the World
CMA Prafulla Tripathy
Team Member, incoc Investor Assotion
77



The Global Energy Equation: Oil, Geopolitics and the Race for Energy Security in 2026
CMA Rohan Sharma
Editorial Bord Member - The Worldonomics Times
82



World's Top 10 Economies in 2026: Economic Power, Global Rankings and the Rise of Emerging Markets
CMA Pramod Jaiswal
Editorial Bord Member - The Worldonomics Times
87



Where the Next Wave of Growth, Investment and International Partnerships Is Emerging
CMA Lakshman
Editorial Bord Member - The Worldonomics Times
92



India's MSME Policy & Scheme Updates – 2026
CMA Madhuri Kashyap
Elected Professional Leader, Institutional Representative & Finance Expert
97

Analysis of Notifications & Circulars – October 2026

(Income Tax, GST, Central Excise, Custom Duty, DGFT, SEBI, MCA, IBBI, RBI)
(Click the Link for Notification/ Circular as issued)



A. Income Tax

Income Tax- Form 173A Notified for Exemption on Government Securities: The notification inserts Rule 281A, requiring assessees claiming exemption under Schedule IV, Table Serial Numbers 13D and 13E, of the Income-tax Act, 2025, to furnish information in newly prescribed Form No. 173A. The form relates to exemptions on interest income and capital gains arising from government securities.
(Link: Income Tax Notification 137/2026 Dated 19/10/2026)

Income Tax- Exemption from TDS on NDB Maharajah INR Bond Interest: The notification provides that no tax shall be deducted at source on interest paid to qualifying bondholders during tax year 2026-27 and subsequent tax years. The specified Maharajah INR Bonds issued by NDB are INR-denominated debt instruments. The notification provides relief from TDS but does not independently exempt the underlying interest income from taxation.
(Link: Income Tax Notification 136/2026 Dated 19/10/2026)

Income Tax- India Mauritius Tax Treaty Protocol notified and comes in force from 10th August 2026: The Protocol has been notified for the avoidance of double taxation andthe prevention of fiscal evasion with respect to taxes on income and capital gains and for the encouragement of mutual trade and investment. It provides for the elimination of double taxation without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance, including treaty-shopping arrangements intended to benefit residents of third jurisdictions indirectly.
(Link: Income Tax Notification 135/2026 Dated 13/10/2026)

Income Tax- Revised Form 161 for seeking Penalty Waiver under Income Tax Act: The notification amends Rule 231 by inserting the words "or waiver" after "imposition" and substitutes Form No. 161 with a revised application Form for seeking waiver of penalty under Section 440(2) of Income Tax Act 2025.(Link: Income Tax Notification 134/2026 Dated 08/10/2026)

Income Tax- SC, Electricity Cost Subsidy is Taxable Revenue Receipt: Case of Mepco Industries vs CIT, SC Judgement Dated 7th October 2026. The subsidy was granted after commercial production commenced and was calculated directly based on a percentage of actual power consumed over the initial years, its operational effect was to reduce day-to-day manufacturing and electricity expenses. The court held that an electricity/power subsidy granted to an operational manufacturing unit is in the nature of a revenue receipt taxable under the Income Tax Act.
(Link: SC Judgement Dated 07/10/2026)

Income Tax- HC, CBDT Must Decide a Clear Timeframe for Duplicate PAN Cancellation: Case of Abhay Gupta vs Union of India, HC Delhi Judgement Dated 30th September 2026. The court directed CBDT to consider setting a clear timeframe for deciding applications to cancel or surrender duplicate Permanent Account Numbers (PANs).
(Link: Income Tax Notification 127/2026 Dated 28/09/2026)

B. GST

GST- GSTN, Introduction of e-Invoicing Facility for Recipient Generated Self Invoices under Reverse Charge Mechanism: The e-Invoicing system is being enhanced to facilitate the reporting of recipient generated self-invoices under the Reverse Charge Mechanism (RCM). Accordingly, two new supply types, namely RCMDOM (Reverse Charge Mechanism on Domestic) and RCMIMP (Reverse Charge Mechanism on Import of Services), are being introduced to enable reporting of self-invoices for specified domestic supplies received from unregistered persons under RCM and import of services from suppliers located outside India. The new functionality would enable eligible registered taxpayers to generate Invoice Reference Numbers (IRNs) for such self-invoices. The new functionality is intended for registered taxpayers having an Aggregate Annual Turnover (AATO) of Rs 5 crore and above. have been implemented in the sandbox environments of all six authorised Invoice Registration Portals (IRPs).
(Link: GSTN Advisory Dated 16/10/2026)

GST- GSTN, Annual Returns GSTR-9/9C for FY 2025-26 enabled on GST Portal: Annual Returns in the form of GSTR-9/9C for FY 2025-26 have been enabled on the GST portal from 8th October 2026. It is to be ensured that all returns (GSTR 1 and GSTR 3B) for FY 2025-26 are filed to enable the tile of GSTR-9/9C.
(Link: GSTN Advisory Dated 13/10/2026)



GST- GSTN, Recommendations of the 57th GST Council Meeting- Key Reforms: The GST Council, in its 57th meeting held on 8th October 2026, recommended a series of reforms to simplify GST compliance, streamline registration and return filing, expedite refunds, and improve the flow of Input Tax Credit (ITC). The Key recommendations include the removal of arrest provisions under GST, raising the prosecution threshold from Rs 1 crore to Rs 5 crore, reducing the maximum general penalty from Rs 25,000 to Rs 10,000 simplifying GST registration for small e-commerce sellers, and facilitating the movement of goods across States.
(Link: GSTN Advisory Dated 09/10/2026, Press Release)

GST- GSTN, FAQs in relation to recommendations of the 57th GST Council Meeting: The Frequently Asked Questions (FAQs) provide clarifications on key GST recommendations. They cover GST registration and amendments, cancellation procedures, simplified registration for eligible e-commerce sellers, faster and automated refund processing, and proposed changes to ITC refund calculations, including eligible input services and capital goods from specified dates.
(Link: GSTN Advisory Dated 09/10/2026, FAQs)

GST- GSTN, Advisory on 'Multistate Registration' Facility for GST Registration: Taxpayers seeking GST registration in more than one State/UT under the same PAN can use this functionality. A 'Multistate Registration' tab has been introduced in the homepage of the Common Portal. Upon selection of the required States/UTs, a Master TRN is generated. Using the Master TRN, the applicant can provide the Common Registration Information (CRI), comprising details such as Business Details, Promoter/Partner details, Authorised signatory, Authorised representative, and Goods and Services. The Master TRN is required to be submitted within 15 days. Once the CRI is submitted, individual TRNs are generated for each selected State/UT. Further, the applicant is required to provide the remaining information such as Principal Place of Business (PPoB), Additional Place of Business (APoB), State-specific Information, andAadhaar authentication.
(Link: GSTN Advisory Dated 01/10/2026)

GST- AAAR, Rejects Pure Services GST Exemption for Private Contractor Subcontract: Case of Immense Construction Company, AAAR Telangana Ruling Dated 23rd September 2026. AAAR upheld the denial of GST exemption on services supplied under a subcontract connected with the Govt of Telangana Mission Bhagiratha drinking-water supply project. The subcontract constituted an independent supply whose immediate recipient was a private company, rather than the State Government or another recipient specified in the exemption notification.
(Link: AAAR Telangana Ruling Dated 23/09/2026)

GST- AAR, GST Exemption Allowed for University Diploma Courses of One Year or More: Case of St Xavier College Kolkata Educational Trust, AAR West Bengal Ruling Dated 1st October 2026. AAR ruled that fees charged for university diploma and certificate programs lasting one year or more are exempt from GST.
(Link: AAR West Bengal Ruling Dated 01/10/2026)

GST- AAR, PDS Flour Milling GST Exempt If Goods Value remains Within 25% of Composite Supply Value: Case of Darjeeling Flour Mills Private Limited, AAR West Bengal Ruling Dated 1st October 2026. AAR held that the composite supply of milling wheat into fortified flour for distribution through the Public Distribution System (PDS) qualifies for GST exemption under Serial 3A of Notification 12/2017, dated 28th June 2017, provided the value of goods supplied does not exceed 25% of total composite supply value.
(Link: AAR West Bengal Ruling Dated 01/10/2026)

GST- AAR, Complete CKD E-Rickshaw Kits attract 5% GST If Specified Conditions Are Met: Case of Bandhan Electric Vehicles LLP, AAR West Bengal Ruling Dated 1st October 2026. AAR held that the proposed supply of complete electric three-wheeler kits in Completely Knocked Down (CKD) condition is classified as a finished e-rickshaw under HSN 87038040 and taxed at a 5% GST rate, subject to fulfilling specific conditions.
(Link: AAR West Bengal Ruling Dated 01/10/2026)

GST-AAR, GST Exemption on Partnership Firm Merger into Company is Conditional on Going Concern: Case of Jai Mata Di Jewellers, AAR West Bengal Ruling Dated 1st October 2026. AAR ruled that the transfer of an entire business as a going concern is treated as a supply of services and is eligible for a Nil GST rate under Notification No. 12/2017, provided the going concern conditions are fully met.
(Link: AAR West Bengal Ruling Dated 01/10/2026)

GST- AAR, Geomembrane Classified under HSN 59111000, GST 5% Applicable: Case of Salasar Balaji Polysack Private Limited, AAR Gujarat Ruling Dated 29th September 2026. AAR ruled that Geomembrane Pond Liner (used for water conservation in agriculture and aquaculture) is classified under HSN 59111000. The GST rate on the product was reduced to 5% starting September 2025.
(Link: AAR Gujarat Ruling Dated 29/09/2026)

GST-AAR, Outdoor Playground Equipment attracts 5% GST, Gym Equipment 18% GST: Case of Sundek Sports Private Limited, AAR Gujarat Ruling Dated 29th September 2026. AAR held that outdoor

playground equipment supplied by the party, including slides, swings, see-saws, climbers and multi-activity play stations, is classifiable under HSN 95069990 and attracts 5% GST. Outdoor gym equipment, including twisters, pull-up bars, cross-trainers and leg presses, is classifiable under HSN 95069190 and attracts rate of 18% GST.
(Link: AAR Gujarat Ruling Dated 29/09/2026)

GST-AAR, Long-Term Electric Vehicle Leasing Taxable as Financial Services under GST: Case of Inland Financial services Pvt Ltd, AAR Maharashtra Ruling Dated 28th September 2026. AAR ruled that the leasing of electric two-wheelers the party under a 48-month Vehicle Lease Agreement was classifiable as financial and related services under SAC 9971, rather than leasing or rental services without an operator under SAC 9973.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, RO Plant Repair on Indian Navy Ships Attracts 18% GST: Case of Rochem Seperation Systems India Pvt Ltd, AAR Maharashtra Ruling Dated 28th September 2026. AAR ruled that maintenance, repair and overhaul services provided by the party in respect of reverse osmosis (RO) plants installed on ships, warships, reconnaissance vessels and submarines of the Indian Navy and Indian Coast Guard are liable to GST at 18%. (not the concessional 5%) It concluded that RO plants are independent machinery used for water purification and cannot be regarded as integral components or parts of vessels merely because they are installed on board ships.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, GST Rate 5% on Marine Engines and Spare Parts Subject to Proof of Vessel End Use: Case of Marine Vision, AAR Maharashtra Ruling Dated 28th September 2026. AAR held that marine propulsion engines classified under HSN 8407 and 8408 and their spare parts under HSN 8409 are eligible for concessional GST at 5% when supplied as parts of specified vessels, provided their intended end use is established throughverifiable documentary evidence.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, Reward Goods are Gifts, No GST but ITC Blocked: Case of Goldmedal Electricals Pvt Ltd, AAR Maharashtra Ruling Dated 28th September 2026. AAR held that the party was not liable to discharge GST on reward goods transferred to dealers, retailers and others against redemption of points under its "Dhan Barse Scheme". However, it denied input tax credit on the purchase of those goods because their distribution constituted gifts covered by section 17(5)(h) of CGST Act.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, ITC Reversal Mandatory on Flood-Damaged Batteries despite Insurance Compensation: Case of Prime Products, AAR Maharashtra Ruling Dated 28th September 2026. AAR held that input tax credit (ITC) attributable to batteries and cells damaged by flooding must be reversed under Section 17(5)(h) of the CGST Act, to the extent ofthe reduction in their value, notwithstanding that the goods remained physically available and could subsequently be sold at reduced prices.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, Vehicle Body Supply Is Goods, Not Job Work: Case of Kailash Vahn Private Limited, AAR Maharashtra Ruling Dated 28th September 2026. AAR held that the transactions of the party constituted a composite supply whose principal supply was motor vehicle bodies, classifiable as goods under HSN 8707. Fabrication, mounting on customer-owned chassis, finishing and allied services were ancillary to that supply.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST-AAR, Agricultural University Laboratory Testing for External Clients Attracts 18% GST: Case of Mahatma Phule Krishi Vidyapeeth, AAR Maharashtra Ruling Dated 28th September 2026. AAR held that laboratory and educational services provided directly to students, faculty, and staff as part of official academic or research activities are exempt under Entry No. 66(a) of notification No. 12/2017 Central Tax (Rate). The testing services provided to external entities, including private companies, commercial organizations, and non-exempt clients, do not qualify for educational exemptions.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, RMC Job Work taxable at 18% from 22 September 2025: Case of Prayatna Infratech Pvt Ltd, AAR Maharashtra Ruling Dated 28th September 2026. AAR held that party' activity of preparing ready-mix concrete (RMC) from raw materials owned and supplied by the receiptant constitutes a supply of services and qualifies as job work under Section 2(68) of the CGST Act. The activity falls under Heading 9988 and, specifically, SAC 998853, covering other non-metallic mineral product manufacturing services. The GST was payable at 12% up to and including 21st September 2025 and at 18% from 22nd September 2025.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST-AAR, GST Payable on Builders' Advance and Monthly Maintenance Charges: Case of Vardhaman Homes. AAR Maharashtra Ruling Dated 28th September 2026. AAR held that maintenance services supplied by a real estate developer to flat purchasers constitute a taxable supply under Section 7 of the CGST Act, notwithstanding the developer's statutory obligation to maintain the building.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST-AAR, Paid Yoga Courses Taxable, BMC Public Health Services Exempt: Case of Shri Ambika Yoga Kutir, AAR Maharashtra Ruling Dated 28th September 2026. AAR ruled that paid yoga training and certification by the party is taxable under GST.

any payments linked to services provided will attract tax. The ruling distinguishes between charitable activities and structured professional training, emphasizing that the latter does not qualify for GST exemption.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)



GST- AAR, GST Margin Scheme not available to Auction Intermediary: Case of Saffron Art Private Ltd, AAR Maharashtra Ruling Dated 28th September 2026. The party procures paintings on an approval basis from registered and unregistered owners and sells them via online auction to the highest bidder. AAR ruled that a 12% GST rate applies to the sale of second-hand or used paintings.
(Link: AAR Maharashtra Ruling Dated 28/09/2026)

GST- AAR, GST ITC allowed on Fresh IPO Expenses used for Business: Case of Sai Silks Kalamandir Limited, AAR Telangana Ruling Dated 18th September 2026. AAR ruled that GST on expenses tied to the fresh issue (like merchant banking, legal, and listing fees) qualifies for ITC if the net proceeds support company business operations, such as working capital and store expansion. However, GST on OFS-related expenses is ineligible for ITC since these proceeds benefit the selling shareholders instead of the company.
(Link: AAR Telangana Ruling Dated 18/09/2026)

GST- SC, Powder Used to Prepare Drink cannot be Taxed as Beverage: Case of Additional Commissioner, Commercial Tax vs Cadila Health Care Ltd, SC Judgement Dated 5th October 2026. The apex court ruled that tax classification depends on the physical form of the product at the time of sale rather than its consumer end-use. The subsequent preparation or how a consumer mixes or consumes the product later does not alter its legal classification. The party contended that the products were sold as powders or biscuits and should fall under the residuary entry taxable at 8%. The court confirmed the 8% residuary tax rate.
(Link: SC Judgement Dated 05/10/2026)

GST- HC, GST Refund cannot be denied Merely Because Principal Input and Output have same Tax Rate: Case of Padmavati Ferrous Ltd vs Union of India, HC P&H Judgement Dated 11th September 2026. HC ruled that Goods and Services Tax (GST) refunds cannot be denied solely because the principal input and the output supply attract the same tax rate. The circular cannot override the statute to block refunds when other inputs in the supply chain attract higher tax rates.
(Link: HC P&H Judgement Dated 11/09/2026)

C. Central Excise

Central Excise- SAED revised on Export of Petrol to Rs 2.50 and Diesel to Rs 16.00 per Litre: The notification amends earlier notification 06/2026 dated 26th March 2026, to revise the Special Additional Excise Duty (SAED) applicable on export of Petrol to Rs 2.50 per litre (Pre-revised Rs 0.50 per litre) Diesel to Rs 8.50 per litre (Pre-revised Rs 16.00 per litre), effective from 16th October 2026.
(Link: Central Excise Notification 54/2026 (T) dated 15/10/2026)

D. Custom Duty

Customs- Customs Duty Exemption on Raw Sugar Extended till December 2026: The notification extends the validity of the customs duty exemption for raw sugar imports to 31st December 2026.
(Link: Customs Notification 33/2026 (T) Dated 22/10/2026)

Customs- Customs Duty Concessions notified for Specified New Zealand Imports: The notification provides customs duty and cess concessions for specified goods imported into India from New Zealand. It seeks to give effect to the first tranche of tariff concessions under India New Zealand Free Trade Agreement.
(Link: Customs Notification 32/2026 (T) Dated 16/10/2026)

Customs- Common Adjudicating Authority appointed for Amway Customs Notices: The Principal Commissioner/Commissioner of Customs (Nhava Seva-I), JNCH, Mumbai Zone-II, has been appointed as the common adjudicating authority for seven specified show cause notices concerning Amway India Enterprises Pvt Ltd.
(Link: Customs Notification 87/2026 (NT) Dated 21/10/2026)

Customs- Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver: CBDT notified the Tariff Values of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver, which shall come into force w.e.f. 16th October 2026. The tariff value for crude palm oil is set at USD 1223 per metric ton, while gold and silver have tariff values of USD 1316 per 10 grams and USD 1907 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 10433 per metric ton.
(Link: Customs Notification 86/2026 (NT) Dated 15/10/2026)

Customs- Reduction in Duty Drawback Rates on Gold and Silver Jewellery: The notification reduces the All Industry Rates (AIR) of duty drawback applicable to specified gold and silver jewellery and articles under Chapter 71, applicable from 15th October 2026. For tariff item 711301, covering gold jewellery and parts thereof, the rate has been reduced from Rs 1851.99 to Rs 1794.11. For tariff item 711302, covering silver jewellery and parts thereof, and tariff item 711401, covering articles made of



silver, the rate has been reduced from Rs 29501.09 to Rs 26859.02 per kg.
(Link: Customs Notification 85/2026 (NT) Dated 15/10/2026)

Customs- Mumbai Customs Adjudicating Authority appointed for 60 Show Cause Notices: The notification appoints the Commissioner of Customs (Adjudication), Mumbai, to exercise the powers and discharge the duties of the Commissioner of Customs, NS-I Commissionerate, Mumbai Customs Zone-II, for adjudication and disposal of 60 specified show cause notices.
(Link: Customs Notification 84/2026 (NT) Dated 15/10/2026)

Customs- Mandalgarh, Bhilwara added as Customs Port in Rajasthan: The notification added a new entry for Mandalgarh, Bhilwara, as Customs Port in Rajasthan for unloading of imported goods and the loading of export goods or any class of such goods.
(Link: Customs Notification 83/2026 (NT) Dated 14/10/2026)

Customs- India New Zealand FTA Rules of Origin Notified: The Customs Tariff (Determination of Origin of Goods under the Free Trade Agreement (FTA) between India and New Zealand) Rules 2026 has been notified and will come into force on 20th October 2026. They establish the legal framework for determining the origin of goods eligible for preferential customs duty treatment under the India–New Zealand Free Trade Agreement.
(Link: Customs Notification 82/2026 (NT) Dated 12/10/2026)

Customs- Amended Customs Notification 62/1994 to Expand Operations at Dabhol Port: The substituted entry specifies several permitted customs operations at Dabhol Port. These include unloading machinery and equipment for the Ratnagiri Gas and Power Private Limited Power Project (RGPPL-PP), unloading liquefied natural gas and naphtha,and loading imported machinery and equipment for export that had been imported for (RGPPL-PP). It also provides for unloading goods for manufacture and repairs of ships, barges and similar vessels and rigs, and their export.
(Link: Customs Notification 81/2026 (NT) Dated 07/10/2026)

Customs- Anti Dumping Duty on Titanium Dioxide originating in or exported from China: Anti-dumping Duty has been imposed on imports of Titanium Dioxide originating in or exported from China, and imported into India. It shall be effective for a period of five years
(Link: Customs Notification 26/2026 (ADD) Dated 24/10/2026)

Customs- Rescind notification 12/2025-Customs (ADD), Dated 10th May 2025: The notification rescinds earlier Notification 12/2025-Customs (ADD), dated 10th May 2025. The rescinded notification relates to anti-dumping duty (ADD) on imports of Titanium Dioxide originating in or exported from China.
(Link: Customs Notification 25/2026 (ADD) Dated 24/10/2026)

Customs- Clarification regarding 10% Customs Duty on Industrial BESS and Power Bank Exclusion: The customs exemption entry prescribes a concessional duty rate of 10% for specified goods under tariff item 85076000, subject to exclusions relating to certain electric and hybrid vehicle battery packs, cellular mobile phone batteries or battery packs, and power banks. It has been clarified that "Power Bank" refers only to lithium-ion battery devices equipped with charging or discharging ports and designed to function as external charging devices for cellular mobile phones or portable electronic devices. Accordingly, stationary, grid-scale and industrial lithium-ion Battery Energy Storage Systems (BESS) do not fall within the power bank exclusion under the specified notification entry, and are not to be denied the 10% concessional duty.((Link: Customs Circular 45/2026 Dated 09/10/2026)

Customs- Clarifications on Acceptance of New Zealand Electronic Certificates of Origin (e-CoO) under FTA: It states that an e-CoO is valid for claiming preferential tariff treatment if issued in the prescribed format, bearing the issuing body's seal and authorised signatory's signature, and satisfying all other prescribed requirements. Importers or Customs Brokers must upload the e-CoO on e-Sanchit and carefully enter its certification number, date and originating criteria in the bill of entry.(Link: Customs Instructions 21/2026 Dated 19/10/2026)

Customs- BIS Compliance Mandated for Smartphone Screen Protectors: The amendment adds "Screen Protectors for smartphones" at Serial No. 66 of the Schedule and prescribes IS 19348:2025, titled "Glass Screen Protector Specification", as the applicable Indian Standard. The provisions of the CRO, 2021 will apply to these goods for conformity with the specified Indian Standard with effect from 1st April 2027.(Link: Customs Instructions 20/2026 Dated 07/10/2026)

Customs- EDF Authentication Mechanism prescribed for Exports Through Non-EDI Custom Locations: The exporters of goods are required to furnish an Export Declaration Form (EDF) specifying the full export value. For exports through EDI ports, the EDF is deemed to form part of the Shipping Bill, while for Non-EDI ports the duly authenticated EDF must be forwarded by the specified authority to the respective Authorised Dealer. The Commissioners of



Customs are required to ensure that physical EDFs at Non-EDI Customs locations are received and duly authenticated by the specified authority and thereafter forwarded to the Authorised Dealer mentioned in the EDF.(Link: Customs Instructions 19/2026 Dated 05/10/2026)th

Customs- Requirement of import permit for non-insecticidal use of insecticides: The instructions mandates that obtaining an import permit in Form IA from the Registration Committee is a strict statutory requirement for importing any substance listed in the Schedule to the Insecticides Act, even when intended strictly for non-insecticidal or industrial use.(Link: Customs Instructions 18/2026 Dated 01/10/2026)

E. Directorate General of Foreign Trade (DGFT)

DGFT- Extension of Timeline for Import of Duty-Free Raw Sugar: The timeline for duty- free import of 10 lakh MT of raw sugar under the Tariff Rate Quota (TRQ) is extended till 31st December 2026.(Link: DGFT Notification 45/2026 Dated 19/10/2026)

DGFT- Amendments in Foreign Trade Policy (FTP), for Rough Diamond Trading in Special Notified Zones: The notification amends Paragraph 4.49 of the FTP, and revises the eligibility framework for foreign entities undertaking rough diamond transactions within Special Notified Zones (SNZs) administered by designated operators under Customs supervision. Under the revised provision, eligible foreign entities may import rough diamonds and conduct their auction, sale and re-export, as applicable, on a consignment or outright basis. The eligible entities include foreign companies engaged in diamond mining, sightholders of such mining companies, and brokers, aggregators, tender entities or auction entities connected with rough diamond sales.(Link: DGFT Notification 44/2026 Dated 12/10/2026)

DGFT- Extension of Minimum Import Price on Glufosinate Imports: The notification extends the Minimum Import Price (MIP) condition on imports of Glufosinate and its salts falling under HS Codes 38089193, 38089199, 38089361, 38089391, 38089399, 38089912, 38089991 and 38089999 of Chapter 38 until 12th April 2027.(Link: DGFT Notification 43/2026 Dated 12/10/2026)

AAR, Semen Sorting Services classified under SAC 998349, taxable at 18% GST: Case of Jiva Sciences Private Limited, AAR Tamil Nadu Ruling Dated 6th August 2026. The applicant argued that its service should be classified under SAC 9986 (Support services to agriculture, forestry, fishing, and animal husbandry) and therefore be exempt from GST, similar to the exemption granted to raw semen dose. AAR ruled that semen sorting services utilizing specialized technology do not qualify for a GST exemption. It classified these activities under SAC 998349 (Other technical & scientific services nowhere else classified), making them taxable at a 18% GST rate.
(Link: AAR Tamil Nadu Ruling Dated 06/08/2026)

AAR, ITC denied on Land Survey Charges for Golf Course Afforestation Land: Case of Ootacamund Gymkhana Club, AAR Tamil Nadu Ruling Dated 4th August 2026. The core issue is whether ITC is admissible on GST paid to a land surveyor for measuring forest land used for the golf course and identifying alternate land required for afforestation compliance. AAR denied ITC, holding that Section 17(5)(h) of the CGST Act applies because the alternate land was surrendered to the Forest Department and its cost was written off in the club's financial books.
(Link: AAR Tamil Nadu Ruling Dated 04/08/2026)

AAR, Psyllium Seeds Not Fresh, attracts 5% GST Rate: Case of Santosh Devi Daga, AAR Rajasthan Ruling Dated 4th August 2026. The firm trades Psyllium Seeds (Isabgol) directly from farmers without undergoing any manufacturing, processing, or chemical transformation, through an Agricultural Produce Market Committee (APMC). The applicant argued that the seeds should be exempt as "fresh or chilled" goods as agricultural items. AAR observed that the traded seeds were dried and not in their fresh state. It ruled that they must be taxed at a 5% GST rate.
(Link: AAR Rajasthan Ruling Dated 04/08/2026)

AAR, GST Payable on Mining Royalty by Short-Term Permit Holder: Case of Pinkcity Developers, AAR Rajasthan Ruling Dated 4th August 2026. AAR held that royalty paid by short-term mineral permit holders is taxable at 18% under the Reverse Charge Mechanism (RCM).
(Link: AAR Rajasthan Ruling Dated 04/08/2026)

AAR, Rubberised Cork Sheets are classified Under HSN 45041010, attracts 5% GST Rate: Case of Balasaria Agencies Pvt Ltd, AAR Rajasthan Ruling Dated 4th August 2026. The issue was whether industrial sheets made from cork granules mixed with polymer/rubber (containing 30.99% cork and 42.47% polymer) fall under Chapter 45 (Cork articles at 5% GST) or Chapter 40 (Rubber articles at 18% GST). AAR ruled that rubberised and agglomerated cork sheets manufactured by the party are classified under HSN 4504 with a 5% GST rate.
(Link: AAR Rajasthan Ruling Dated 04/08/2026)



AAR, KIIFB-Funded Project Management Services Attract 18% GST: Case of Kerala Road Fund Board (KRFB), AAR Kerala Ruling Dated 4th August 2026. KRFB is a statutory body established in 2001 by the Government of Kerala to manage funds and finance transport and state infrastructure projects. AAR held that the centage and consultancy charges received by KRFB for project management of Kerala Infrastructure Investment FundBoard (KIIFB) projects attract 18% GST.
(Link: AAR Kerala Ruling Dated 04/08/2026)

AAR TSSC-Accredited NSQF Training Exempt from GST: Case of Magnus Innovative Technical Services Private Limited, AAR Kerala Ruling Dated 29th July 2026. AAR held that vocational training services (repair and maintenance of handheld devices such as mobile phones and tablets) provided by the applicant, an accredited training partner of the Telecom Sector Skill Council (TSSC), in relation to NSQF-aligned qualifications for which the National Council for Vocational Education and Training (NCVET) has approved qualification packages, are exempt from GST with effect from 10th October 2024 under entry No. 69(e)(iii) of notification 12/2017 Central Tax (Rate) dated 28th June 2017.
(Link: AAR Kerala Ruling Dated 29/07/2026)

AAR, New Residential Villa Projects Taxable at 5% Without ITC: Case of iCLOUD Homes Private Ltd, AAR Kerala Ruling Dated 10th July 2026. AAR ruled that the residential villa projects commencing on or after 1st April 2019, by the party are taxable at an effective GST rate of 5% without the benefit of input tax credit (ITC). The post- 01/04/2019 real estate tax regime strictly binds new construction services to the 5% rate without allowing an option to pay a higher rate in exchange for retaining ITC.
(Link: AAR Kerala Ruling Dated 10/07/2026)

SC allows GST Penalty Appeal without Pre-Deposit: Case of PVCON Engineering Co Vs CGST And Central Excise, SC Judgement Dated 7th September 2026. The tax laws require a 10% pre-deposit for appeals that involve only a penalty, from 1st October 2025. The core issue was whether this 10% rule apply based on the date when the original notice or penalty order was issued, or the date when the appeal is actually filed. The party received a penalty order before 1st October 2025, but filed its appeal later. The apex allowed the taxpayer to file an appeal before GSTAT without paying pre-deposit. (Link: SC Judgement Dated 07/09/2026)

DGFT- Amendments in Foreign Trade Policy (FTP), for Rough Diamond Trading in Special Notified Zones: The notification amends Paragraph 4.49 of the FTP, and revises the eligibility framework for foreign entities undertaking rough diamond transactions within Special Notified Zones (SNZs) administered by designated operators under Customs supervision. Under the revised provision, eligible foreign entities may import rough diamonds and conduct their auction, sale and re-export, as applicable, on a consignment or outright basis. The eligible entities include foreign companies engaged in diamond mining, sightholders of such mining companies, and brokers, aggregators, tender entities or auction entities connected with rough diamond sales.(Link: DGFT Notification 42/2026 Dated 09/10/2026)

DGFT- Clarification, Authorisation Sufficient under Silver Import Rules: The circular states that Notification 17/2026 dated 16th May 2026 changed the import policy for silver under ITC(HS) 71069221 from "Free, subject to RBI regulation" to "Restricted, subject to Policy Condition 7 to Chapter 71". The restricted goods may be imported against a valid DGFT authorisation or under procedures prescribed through applicable notifications or public notices. Accordingly, silver classified under this tariff heading may be imported against a valid authorisation, except where an exemption under Policy Condition No. 7 applies. The circular expressly clarifies that Nominated Agency, IFSCA Qualified Jeweller or EOU status is not an additional eligibility requirement for importing silver.(Link: DGFT Policy Circular 02/2026 Dated 09/10/2026)

DGFT- Four New SIONs notified for Doxycycline and Clobetasol Exports: The public notice inserts four new Standard Input-Output Norms (SIONs), numbered A-3715, A- 3716, A-3717 and A-3718, under the Chemical and Allied Product category, Product Code 'A'. Three entries cover doxycycline tablets, while the fourth covers clobetasol propionate.(Link: DGFT Public Notice 36/2026 Dated 23/10/2026)

DGFT- Clarifications on PSIC Exemption for Import of Metallic Waste and Scrap: The amended provision retains the general requirement for a Pre-Shipment Inspection Certificate (PSIC) from the country of origin. However, PSIC is exempted, both shredded and unshredded metallic waste and scrap imported from designated safe countries or regions (the USA, UK, Canada, New Zealand, Australia and the EU), subject to specified safeguards. The consignment must carry a certificate from the supplier or scrap yard authority confirming that it contains no radioactive materials or explosives. It must enter through one of eleven specified sea ports.(Link: DGFT Public Notice 35/2026 Dated 21/10/2026)

DGFT- Extension of timeline for surrender of unutilised TRQ quantity allocated for Import of 10 Lakh MT of Raw Sugar: The public notice extends the timeline prescribed for surrender of unutilised TRQ

TRQ quantity allocated for import of Raw Sugar under TRQ up to 15th November 2026, subject to payment of an amount equivalent to 0.5% of the CIF value of the surrendered quantity, as prescribed under the existing modalities.
(Link: DGFT Public Notice 34/2026 Dated 19/10/2026)

DGFT- Notifies India New Zealand FTA TRQ Import Procedure: The public notice prescribes tariff rate quota (TRQ) imports under the India–New Zealand Free Trade Agreement. The schedule covers apples, kiwifruit, albumins and NZ MPI-certified Mānuka honey, with product- specific annual quantities, CIF conditions, applicable duties and import windows. (Link: DGFT Public Notice 33/2026 Dated 17/10/2026)

DGFT- Allocation of 5,841 MT Sugar Export Quota to EU under TRQ for 2026-27: The public notice allocates quantity of 5,841 MT for export of Sugar to EU from India under TRQ for the year 2025-26 (October 2025 to September 2026). It also reiterates that sugar exports to EU under TRQ are classified as 'Free', subject to the restrictions and conditions prescribed under Notification No. 03/2015-20 dated 20th April 2015. Certificate of Origin, if required, for preferential export of sugar to EU shall be issued on the recommendation of Agricultural and Processed Food Products Export Development Authority (APEDA) regarding entity and quantity for which eligible.(Link: DGFT Public Notice 32/2026 Dated 09/10/2026)

DGFT- Advises Caution in Dealings with Julfikar Fashions: A formal advisory and precautionary warning has been issued against M/s Julfikar Fashions Ltd, Bangladesh. It has been advised to exercise enhanced caution and strict due diligence before entering into any business arrangements or commercial transactions with the party(Link: DGFT Trade Notice 31/2026 Dated 21/10/2026)

DGFT- Simplified Procedure for Expedited Issuance of Import Authorisations for Silver Bullion: Eligible applicants may seek expedited processing by submitting a self- declaration confirming that the proposed imports will be made on payment of customs duty at the generally applicable rate, without claiming concessions. Authorisations issued under this procedure will require procurement through the India International Bullion Exchange (IIBX) or Nominated Banks/Agencies notified under Appendix 4B ofthe Foreign Trade Policy.(Link: DGFT Trade Notice 30/2026 Dated 13/10/2026)

DGFT- Revised composition of the Sub-Committee on Trade Finance under Niryat Protsahan of Export Promotion Mission (EPM): The trade notice revises the composition of the Sub-Committee on Trade Finance under the Niryat Protsahan sub- scheme EPM.https://drive.google.com/file/d/1OxYev7QIdPXswi6biQlqFbmviG6eyMPI/view

F. Securities and Exchange Board of India (SEBI)

SEBI- Amendments to SEBI Listing Obligations and Disclosure Requirements Regulations: The amended provision mandates that entities with NCDs listed on or after October 14, 2026, must list all subsequent issuances of non-convertible debt securities on recognized stock exchanges. The Regulations 62A(2) regarding legacy unlisted NCDs and 62A(3) concerning the three-month compliance window have been omitted.
(Link: SEBI Notification Dated 12/10/2026)

SEBI- Amendments to SEBI Real Estate Investment Trusts Regulations: The notification introduce changes concerning the scope of common infrastructure, issuance of depository receipts, unitholder approval requirements and exit arrangements for dissenting unitholders. The provisions have been omitted related to composite real estate projects, industrial parks, and SEZs. The dissenting shareholders shall have exit options during a sponsor departure in multi-sponsor REITs.
(Link: SEBI Notification Dated 12/10/2026)

SEBI- Amendments to SEBI Infrastructure Investment Trusts Regulations: The notification inserts Regulation 14(5C), permitting Infrastructure Investment Trusts (InvITs) to issue Depository Receipts on their underlying units. It also replaces the previous requirement of approval from 75% of unitholders by value with an approval threshold of at least 75% of total votes cast in favour, excluding related parties.(Link: SEBI Notification Dated 12/10/2026)

SEBI- Amendments to SEBI Alternative Investment Funds Regulations: The notification amends investor accreditation rules, introduce securities market exposure standards, and revamp dispute resolution frameworks. An individual may qualify for accreditation through securities market exposure of at least Rs 5 crore. For a limited liability partnership, eligibility includes net worth of at least Rs 50 crore, securities market exposure of at least Rs 20 crore, or independent qualification of every partner. For a body corporate other than an LLP, the amended criteria provide for net worth of at least Rs 50 crore or securities market exposure of at least Rs 20 crore.
(Link: SEBI Notification Dated 09/10/2026)

SEBI- Amendments to SEBI Employees Service Regulations: The notification revise the educational and eligibility framework for SEBI recruitment (such as Grade 'A' positions). For General stream, it permits a bachelor's degree in any discipline with a minimum of 60% marks (50% for SC/ST/PwBD candidates where posts are reserved), an alternative Master's Degree/Post Graduate Diploma, or professional qualifications like CA, CFA, CS, and Cost Accountant. For specific streams, it updates

subject requirements across specialized streams and standardizes CGPA-to-percentage conversion benchmarks. For legal stream, it removes the desirable experience condition.(Link: SEBI Notification Dated 08/10/2026)



SEBI- Amendments to SEBI Vault Managers Regulations: The amendments Shifts the framework from a narrow focus on Electronic Gold Receipts (EGRs) to a product-neutral approach covering bullion and bullion-related instruments (including gold/silver ETFs, bullion derivatives, and other SEBI-permitted contracts). The minimum net worth requirement for vault managers has been increased from Rs 50 crore to Rs 75 crore. It also introduces a mandatory requirement for the appointment of a designated Compliance Officer.(Link: SEBI Notification Dated 08/10/2026)

SEBI- Amendments to SEBI Research Analysts Regulations: The key change is that maintaining call recordings of communications with clients who qualify as institutional investors will no longer be mandatory. A new clause has been inserted definin 'Institutional Investor' by reference to ICDR Regulations.
(Link: SEBI Notification Dated 08/10/2026)

SEBI- Amendments to SEBI Intermediaries Regulations: The amendment introduces a comprehensive Common Advertisement Code through the insertion of Chapter IIID. It establishes uniform requirements concerning promotional communications, mandatory disclosures, celebrity endorsements, permissible claims, investor protection and regulatory supervision. Advertisements must disclose essential registration details and applicable disclaimers. It introduces specific restrictions on celebrity endorsements. Celebrities may endorse a regulated entity at brand or entity level, but advertisements cannot contain inducements or claims concerning particular products or services.
(Link: SEBI Notification Dated 08/10/2026)

SEBI- Amendments to SEBI Mutual Funds Regulations: The amendment introduces a comprehensive Common Advertisement Code through the insertion of Chapter IIID. It establishes uniform requirements concerning promotional communications, mandatory disclosures, celebrity endorsements, permissible claims, investor protection and regulatory supervision. Advertisements must disclose essential registration details and applicable disclaimers.(Link: SEBI Notification Dated 08/10/2026)

SEBI- Amendments to SEBI Certification of Associated Persons in Securities Market Regulations: The amendments replace the term "Associated Person" with "Specified Person" across regulations. The Specified Person is defined to include Principals or employees of an intermediary, Agents or distributors, Other natural persons engaged in the securities market business and Employees of Foreign Portfolio Investors (FPIs) and Foreign Venture Capital Investors (FVCIs) working in India. It prescribes NISM-specified courses or programmes as alternative or additional routes for obtaining certifications and Continuing Professional Education (CPE).
(Link: SEBI Notification Dated 07/10/2026)

SEBI- Amendments to SEBI Portfolio Managers Regulations: The notification establish a revised framework for registration, eligibility, conduct and supervision of portfolio managers. These address applications, registration fees, capital adequacy, infrastructure and personnel requirements, including minimum net worth of five crore rupees for ordinary portfolio managers. It also addresses client agreements, disclosure documents, conflicts of interest, fees, portfolio segregation, investment restrictions, custodians, books and records, audits, reporting and grievance redressal. As a general rule, portfolio managers must not accept less than fifty lakh rupees per client. A dedicated Portfolio Management Service Route for Investment in Mutual Fund units (PRIM) is introduced with separate eligibility and operational conditions.
(Link: SEBI Notification Dated 07/10/2026)

SEBI- Amendments to SEBI Settlement of Administrative and Civil Proceedings Regulations: The notification replace SEBI (Settlement Proceedings) Regulations and establishes a revised framework for settling specified administrative and civil proceedings involving securities laws in India. The minimum settlement amount is set at Rs 3 lakh for first-time applicants and Rs 7 lakh for other applicants (plus applicable disgorgement, interest, and filing fees). The settlement amount (SA) is calculated using the formula: SA = BA × (S + R + G + A - M), where BA is the base amount, S is the stage of the proceeding, R is the regulatory history, G is the gravity of the violation, and A/M stand for aggravating and mitigating factors.
(Link: SEBI Notification Dated 06/10/2026)

SEBI- Institutional Client Call Recordings Made Optional: The circular removes the mandatory requirement for Research Analysts (RAs) and Research Entities (REs) to maintain call recordings of interactions with institutional investors.
(Link: SEBI Circular Dated 23/10/2026)

SEBI- Margin Waiver on Subsequent Buy/Sell Transactions Post Early Pay-In (EPI) in Cash Segment: The circular introduces a real-time margin waiver for subsequent cash- segment buy/sell positions where a client has a net sell obligation in a settlement and the clearing corporation (CC) has successfully accepted Early Pay-In (EPI) of the sold securities. The CC shall not collect margin from the trading member (TM) or clearing member (CM) on such subsequent positions up to the accepted EPI amount. The available EPI value on the trade date will be the lower of the EPI value and the value of securities sold segments.
(Link: SEBI Circular Dated 22/10/2026)

SEBI- Review of Closing Auction Session, Market Timings and Settlement Methodology for Derivatives Contracts: SEBI has decided to shorten CAS to ten minutes, from 3:30 PM to 3:40 PM. The revised framework provides for a one-minute reference price calculation and transition period, followed by five minutes for market and limit orders and four minutes for limit orders only, with random closure between 3:38 PM and 3:40 PM. The trading in index derivatives will continue until 3:45PM, except that expiring index derivatives will stop trading at 3:30 PM on expiry days. Stock derivatives will trade until 3:45 PM, including expiry days. The post-close cash market session will operate from 3:50 PM to 4:00 PM.
-- SEBI has also revised the derivatives settlement price methodology. Expiring index derivatives will use underlying index values calculated from the volume-weighted average prices (VWAP) of constituent securities during the last 30 minutes of continuous cash trading. Expiring stock derivatives will similarly use the underlying stock's 30-minute VWAP across stock exchanges.
(Link: SEBI Circular Dated 15/10/2026)

SEBI- Credit Risk-o-Meter Mandatory for Debt Securities: The circular introduces a mandatory Credit Risk-o-Meter as an additional visual and colour-coded disclosure mechanism for listed and proposed-to-be-listed debt securities. It must be displayed in Offer documents, Abridged prospectuses, Private placement memoranda (PPM), Relevant issuer and Online Bond Platform Provider (OBPP) advertisements, OBPP web and mobile platform. If a security has multiple credit ratings, the Credit Risk-o-Meter must display the lowest rating.
(Link: SEBI Circular Dated 07/10/2026)

SEBI- ISIN Limit increased for Private Placement of Debt Securities: The circular increases the maximum number of ISINs maturing in a financial year for an issuer to seventeen, with a further six ISINs available for capital gains tax debt securities. Existing legacy ISINs for Floating Rate Bonds, Zero Coupon Bonds and Debt Capital instruments are grandfathered subject to the stated conditions. It also excludes Government of India serviced/Extra Budgetary Resources bonds and Environment, Social and Governance Debt Securities from the applicable ISIN limits.
(Link: SEBI Circular Dated 07/10/2026)

SEBI- Exemptions to Certain Listed Issuers from Mandatory Merchant Banker Appointment for Private Placement of Debt: The circular exempts certain listed issuers issuing debt securities or non-convertible redeemable preference shares through private placement at a face value of Rs. 10,000. The exemption applies (a) where the issuer is regulated by SEBI, RBI, IRDAI or PFRDA, (b) has been listed on a recognized stock exchange for at least one year without pending SEBI or stock- exchange fines or penalties (c) has not defaulted during the last three financial years and the current financial year on specified redemption, repayment or interest/ dividend obligations and (d) satisfies prescribed security and credit-rating requirements. The security must also carry a rating of at least AA- on the date of private placement.
(Link: SEBI Circular Dated 07/10/2026)

SEBI- Display of Investor Awareness Messages on Broker Websites and Apps: SEBI has directed all stock brokers to prominently display investor awareness messages shared by SEBI on their websites and trading apps as part of Project Jagrook. The circular also directs stock exchanges and depositories to notify their members and participants, disseminate the circular on their websites, and make necessary amendments to their bye-laws, rules and regulations.
(Link: SEBI Circular Dated 01/10/2026)

SEBI- Revamps Document Number Verification System for Authentication of Letters and Notices: The modified system now requires the 'Subject Matter' as an additional mandatory field for verification and has been aligned with the Outward Number format generated through its E-Office system. A recipient, or a person acting on the recipient's behalf, can verify whether a SEBI letter, including a notice or show cause notice, was actually issued by it. SEBI has clarified that this process authenticates issuance of the communication and does not verify its contents.
(Link: SEBI Press Release Dated 01/10/2026)

G. Ministry of Corporate Affairs (MCA)

MCA- Notifies Indian Corporate Law Service Rules 2026: The Rules constitute the Indian Corporate Law Service as a Group 'A' service comprising Higher Administrative Grade, Senior Administrative Grade, Junior Administrative Grade, Senior Time Scale and Junior Time Scale. They prescribe the authorised strength and designations of duty posts, methods of recruitment and promotion, non-functional upgradation, seniority, probation, appointment, service liability, disqualification, relaxation and

reservation- related provisions. The Rules provide for direct recruitment to 60 per cent of vacancies in the Junior Time Scale through the Civil Services Examination conducted by the Union Public Service Commission, with the remaining 40 per cent filled by promotion.
(Link: MCA Notification Dated 06/10/2026)

MCA- Extension of Timeline for AOC-4 and MGT-7 Filing for 2025-26: The circular extends filing timelines for financial statements and annual returns for Financial Year 2025–26, without payment of additional fees. companies may file their financial statements in e-Forms AOC-4, AOC-4 (CFS), AOC-4 (XBRL), AOC-4 NBFC (Ind AS) and AOC-4 CFS NBFC (Ind AS) up to 31 st December 2026 without payment of additional fees. Similarly, annual returns in e-Forms MGT-7 and MGT-7A may be filed up to 31 st Jan 2027.
(Link: MCA General Circular 05/2026 Dated 24/10/2026)

H. Insolvency and Bankruptcy Board of India (IBBI)

IBBI- NCLAT, TDS and Loan Entries cannot Alone Convert Share Purchase Advance into Financial Debt: Case of Catalyst Refinery Services Private Limited vs Ganpati Global Private Limited, NCLAT Delhi Judgement Dated 16 th October 2026. The appellate tribunal held that balance-sheet entries, balance confirmations and TDS deductions do not, by themselves, establish financial debt where the underlying payment was made towards a share purchase.
(Link: NCLAT Delhi Judgement Dated 16/10/2026)

IBBI- NCLAT, Extension of Resolution Plan Payment Timeline does not Amount to Modification: Case of Sonal Sumit Mehta vs Chirag R Shah, NCLAT Delhi Judgement Dated 5 th October 2026. The appellate tribunal ruled that extending timelines for financial obligations under an approved resolution plan due to a delay in handing over vacant possession does not amount to an impermissible modification of resolution plan.((Link: NCLAT Delhi Judgement Dated 05/10/2026))

IBBI- NCLAT, Personal Guarantors cannot Reopen Final DRT Liability Findings under IBC: Case of Bhumika Nilay R. Shah Vs Prawincharan Prafulcharan Dwary, NCLAT Delhi Judgement Dated 21st September 2026. The appellants argued that Clause 24 of Deed of Guarantee limited their liability to the market value of mortgaged properties under section 114 of the IBC. The appellate tribunal however, ruled that personal guarantors cannot relitigate or limit their liability under the IBC once a Debt Recovery Tribunal (DRT) order has attained finality.
(Link: NCLAT Delhi Judgement Dated 21/09/2026)

IBBI- NCLAT, Consent Arbitral Award does not Extinguish Continuing Guarantee: Case of Ravindra Gopalkrishan Agarwal vs Jankalyan Sahakari Bank, NCLAT Delhi Judgement lkDated 17 th September 2026. The appellate tribunal held that a consent arbitral award with joint and several liability does not extinguish a continuing personal guarantee or convert the guarantor into a co-borrower under IBC. It clarifies that debt restructuring via a consent award does not release personal guarantors from their liabilities.
(Link: NCLAT Delhi Judgement Dated 17/09/2026)

IBBI- NCLAT, Going-Concern Liquidation commences from Date of Section 33 Liquidation Order: Case of State Bank of India vs Garden Court Distillieries Pvt Ltd, NCLAT Delhi Judgement Dated 10 th September 2026. The appellate tribunal ruled that a subsequent regulatory amendment by the IBBI cannot retrospectively alter or invalidate an ongoing going-concern sale process that commenced under a prior liquidation order.
(Link: NCLAT Delhi Judgement Dated 10/09/2026)

IBBI- NCLAT, 'Clean Slate' protection extends to Going Concern Liquidation: Case of Amitkumar Rishi Kumar Bhabhda vs Amir Chandrashekhar Poddar, NCLAT Delhi Judgement Dated 9 th September 2026. The appellate tribunal held that the clean slate protection under Section 32A of the IBC extends to successful bidders who purchase a corporate debtor as a going concern during liquidation. It clarified that past liabilities of the corporate debtor do not survive following a successful going-concern liquidation sale. This immunity from past actions and proceedings follows automatically by operation of law rather than being a matter of discretionary waiver or concession.
(Link: NCLAT Delhi Judgement Dated 09/09/2026)

IBBI- NCLAT, CIRP closed after Creditors Settle Claims despite Section 12A Stalemate: Case of Deepak Modi vs Shalfeyo Industries Private Limited, NCLAT Delhi Judgement Dated 7 th September 2026. The appellate tribunal ordered the complete closure of the Corporate Insolvency Resolution Process (CIRP), allowing the business to return to its promoters after all financial and operational debts were settled.
(Link: NCLAT Delhi Judgement Dated 07/09/2026)

IBBI- NCLAT, Disputed JDA Termination does not Warrant Land Exclusion at Interim Stage: Case of Santosh Kumar vs IDBI Trusteeship Services Pvt Ltd, NCLAT Delhi Judgement Dated 2 nd September 2026. The appellate tribunal held that an alleged pre-CIRP unilateral termination of a Joint Development Agreement (JDA) does not automatically exclude the underlying land from the Corporate Insolvency Resolution Process (CIRP) if third-party rights and mortgage interests have already been created.
(Link: NCLAT Delhi Judgement Dated 02/09/2026)

IBBI- HC, Unclaimed Arbitral Award Extinguished under IBC, Court Deposit Refundable: Case of McNally Bharat Engineering Company Limited vs Metso India Pvt Ltd, HC Delhi Judgement Dated 3 rd August 2026. HC held that a monetary claim arising from an arbitral award stands extinguished upon approval of a resolution plan under IBC, where the award holder has failed to lodge its claim with the Resolution Professional and the claim is not included in the approved plan. It further held that money deposited with a court as security for staying enforcement of an arbitral award remains the property of the Corporate Debtor (CD) and does not become the property of the award holder merely because it is held in judicial custody. The court directed the release of the deposited amount with interest to CD. th

(Link: HC Judgement Dated 03/08/2026)

I. Reserve Bank of India (RBI)

RBI- Commercial Banks Credit Valuation Adjustment Framework Directions 2026: The Directions establish a framework for calculating regulatory capital requirements against Credit Valuation Adjustment (CVA) risk. It requires banks to calculate CVA risk capital requirements separately for covered transactions in their banking and trading books. Securities financing transactions are excluded from the CVA capital charge. Banks must ordinarily use the Basic Approach for CVA (BA-CVA), comprising reduced and full versions. However, banks whose consolidated group th-wide notional amount of non-centrally cleared derivatives does not exceed Rs 10 lakh crore may adopt an alternative treatment, subject to supervisory restrictions. Banks must also make Pillar 3 disclosures using Table CVAA, Template CVA1 and Template CVA2, as applicable.

(Link: RBI Master Directions 474/2026 Dated 07/10/2026)

RBI- Master Direction on Note Sorting Machines: The Master Direction supersedes the earlier circular framework on Note Sorting Machines from the date of issuance. These prescribe minimum standards for authentication and fitness sorting of banknotes, requiring machines to identify genuine notes and segregate suspected counterfeits and notes that are unfit for circulation. The framework covers visual and physical defects including soiling, limpness, dog-ears, tears, holes, stains, graffiti, crumples, decolouration and repairs, with detailed quantitative thresholds for several categories. The Master Direction further incorporates Bureau of Indian Standards (BIS) framework for Note Sorting Machines, and requires banks to procure BIS-certified NSMs.

(Link: RBI Master Directions 473/2026 Dated 02/10/2026)



RBI- Amendments to RBI Commercial Banks Forthcoming Instructions Directions: The amendments provide indicative mapping of Business Indicator constituents to financial statement schedules, while requiring banks to follow the operational risk framework's descriptions and sub-items wherever financial statement measurement, classification or presentation differs. The revised table clarifies the treatment of operating lease rentals, expenses, depreciation and impairment. Interest rate derivative assets affecting interest income must be included in interest earning assets at positive fair value, without subtracting negative fair values. The Loss Component used in calculating Internal Loss Multiplier will equal 15 times average annual operational risk losses, net of recoveries.

(Link: RBI Circular 299/2026 Dated 23/10/2026)

RBI- Delegation of Compounding of certain Contraventions under FEMA to Regional Offices: The circular delegates powers to compound contraventions relating to overseas investments, borrowing and lending, and guarantees to select Regional Offices to promote customer service.

(Link: RBI Circular 298/2026 Dated 23/10/2026)

RBI- Amendments to RBI Commercial Banks Prudential Norms on Capital Adequacy Directions: The circular prescribe minimum leverage ratios of 4% for domestic systemically important banks and 3.5% for other banks. Indian branches of global systemically important banks must maintain 3.5% plus their applicable G-SIB leverage- ratio buffer, including any additional buffer prescribed by the home regulator. The revised exposure-measure rules address regulatory deductions, securitisations, unsettled trades, cash pooling, collateral, securities financing transactions and off- balance-sheet items.

(Link: RBI Circular 297/2026 Dated 23/10/2026)

RBI- Updates on UNSC Sanctions List Under UAPA Compliance: MEA has informed about the UNSC amendments on its ISIL & Al-Qaida Sanctions List of individuals and entities (Removal of Seven Entities), which are subject to the assets freeze, travel ban and arms embargo. Regulated Entities (REs) are advised to take note for necessary compliance in terms of Master Directions on KYC.
(Link: RBI Circular 296/2026 Dated 19/10/2026)

RBI- Amendments to RBI Small Finance Banks Miscellaneous Directions: The circular has deleted the prudential regulatory ceiling that previously capped the gross PV01 (Price Value of a Basis Point) of non-option rupee derivative contracts at 0.25% of a bank's net worth.
(Link: SEBI Press Release dated 24/09/2026)

RBI- Amendments to RBI Commercial Banks Miscellaneous Directions: The circular has deleted the prudential regulatory ceiling that previously capped the gross PV01 (Price Value of a Basis Point) of non-option rupee derivative contracts at 0.25% of a bank's net worth.
(Link: RBI Circular 294/2026 Dated 19/10/2026)

RBI- Restricts INR Derivatives to Hedging and Mandates 20% Risk Reserve: The RBI has restricted the offering of non-deliverable derivative contracts (NDDCs) involving the Indian Rupee to non-resident users exclusively for hedging purposes. Previously, Authorised Dealer Category-I banks having operational IFSC Banking Units and Standalone Primary Dealers authorised as Category-III Authorised Dealers were permitted to offer such contracts to non-resident users without any restriction concerning their purpose. It has also introduced a mandatory Foreign Exchange Risk Reserve (FERR) for foreign exchange derivative contracts involving INR entered into by Authorised Dealers to hedge currency risks arising from their own assets and liabilities. The prescribed FERR is 20 per cent of the INR equivalent of the notional amount of each derivative contract.
(Link: RBI Circular 293/2026 Dated 12/10/2026)

RBI- Introduction of 20% Foreign Exchange Risk Reserve (FERR) for INR Derivatives: The FERR requirement applies to foreign exchange derivative contracts involving INR with a notional value exceeding USD 2 million equivalent, undertaken to hedge current account transactions where the user purchases foreign currency against INR. Authorised Dealers must maintain a reserve equal to 20% of the INR equivalent of the notional amount of each qualifying derivative contract. The reserve must be deposited and maintained in cash in India with the RBI on a daily basis until the relevant contract terminates.
(Link: RBI Circular 292/2026 Dated 10/10/2026)



RBI- Tightens INR Forex Derivative Rebooking Rules, Cuts Unhedged Position Threshold to USD 5 Million: The circular revise the regulatory framework governing foreign exchange derivative contracts. Authorised Dealers are prohibited from permitting users to rebook any INR- involving foreign exchange derivative contract, whether deliverable or non-deliverable, that has been cancelled with any Authorised Dealer after the issuance of these directions. The threshold has been reduced for taking positions without establishing the existence of underlying exposure from USD 100 million equivalent to USD 5 million equivalent of notional value.
(Link: RBI Circular 291/2026 Dated 10/10/2026)

RBI- Change in Daily Minimum Cash Reserve Maintenance Requirement: The scheduled banks are allowed to maintain minimum Cash Reserve Ratio (CRR) of not less than 90 percent of the required CRR on all days during the reporting fortnight, in such a manner that the average of CRR maintained daily shall not be less than the prescribed CRR. It has been decided to increase the minimum daily maintenance of the CRR to 99 per cent.
(Link: RBI Circular 290/2026 Dated 09/10/2026)

RBI- Amendments to RBI All India Financial Institutions Prudential Norms on Capital Adequacy Directions: The amendments updates capital adequacy guidelines for clearing member Payments Banks concerning Qualifying Central Counterparties (QCCPs) to align with international standards. It provides a 2% risk weight for trade exposures to a QCCP, covering both own-account transactions (OTC/exchange-traded derivatives and SFTs) and client clearing services where the bank bears default reimbursement obligations.

(Link: RBI Circular 289/2026 Dated 07/10/2026)



RBI- Amendments to RBI Payments Banks Prudential Norms on Capital Adequacy Directions: The amendments updates capital adequacy guidelines for clearing member Payments Banks concerning Qualifying Central Counterparties (QCCPs) to align with international standards. It provides a 2% risk weight for trade exposures to a QCCP, covering both own-account transactions (OTC/exchange-traded derivatives and SFTs) and client clearing services where the bank bears default reimbursement obligations.
(Link: RBI Circular 288/2026 Dated 07/10/2026)

RBI- Amendments to RBI Small Banks Prudential Norms on Capital Adequacy Directions: The amendments updates capital adequacy guidelines for clearing member Small Banks concerning Qualifying Central Counterparties (QCCPs) to align with international standards. It provides a 2% risk weight for trade exposures to a QCCP, covering both own-account transactions (OTC/exchange-traded derivatives and SFTs) and client clearing services where the bank bears default reimbursement obligations.
(Link: RBI Circular 287/2026 Dated 07/10/2026)

RBI- Amendments to RBI Commercial Banks Prudential Norms on Capital Adequacy Directions: The amendments revises the key capital adequacy guidelines. The Clearing member banks must now apply a standardized 2% risk weight on trade exposures to a Qualified Central Counterparty (QCCP). This includes client-clearing exposures where bank is obligated to compensate clients if a QCCP defaults. It also updates methodology for valuation adjustments related to incurred Credit Valuation Adjustment (CVA) losses.
(Link: RBI Circular 286/2026 Dated 07/10/2026)

RBI- Amendments to RBI Commercial Banks Miscellaneous Directions: The a mendment deletes Sub-section D of Chapter IV (Paragraph 38) of the master directions. It removes the existing provisions regarding the deferment of option premiums
(Link: RBI Circular 285/2026 Dated 07/10/2026)

RBI- Amendments to RBI Commercial Banks Forthcoming Instructions Directions: The amendments relates to the methodology for calculating minimum capital requirements for counterparty credit risk (CCR). The Standardised Approach for Counterparty Credit Risk (SA-CCR) replaces Current Exposure Method (CEM) for the relevant regulatory exposure calculations. SA-CCR framework measures exposure using replacement cost and potential future exposure, with an alpha multiplier of 1.4. It distinguishes margined and unmargined netting sets, recognises qualifying collateral and legally enforceable netting arrangements, and prescribes asset-class-specific calculations for interest rate, foreign exchange, credit, equity and commodity derivatives.
(Link: RBI Circular 284/2026 Dated 07/10/2026)

RBI- Penal Interest on shortfall in CRR and SLR requirements, Change in Bank Rate: RBI has revised the Bank Rate upward by 25 basis points from 5.50 per cent to 5.75 per cent, as announced in the Monetary Policy Statement. Consequently, penal interest rates on shortfalls in Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) requirements that are linked to the Bank Rate have also been revised. Depending on nthe duration of the shortfall, the applicable penal interest rates (Bank Rate plus 3/ 5 percentage) have increased from 8.50/10.50 percentage to 8.75/ 10.75 percentage points.
(Link: RBI Circular 283/2026 Dated 07/10/2026)

RBI- Liquidity Adjustment Facility, Change in rates: RBI has announced a 25 basis point increase in the policy repo rate under the Liquidity Adjustment Facility (LAF), raising it from 5.25 per cent to 5.50 per cent, as announced in the Monetary Policy Statement. Consequent to the repo rate increase, the standing deposit facility (SDF) rate has been adjusted to 5.25 per cent and the marginal standing facility (MSF) rate to 5.75 per cent, also with immediate effect.
(Link: RBI Circular 282/2026 Dated 07/10/2026)

RBI- Standing Liquidity Facility for Primary Dealers: Monetary Policy Committee (MPC) has increased the policy repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points, from 5.25 per cent to 5.50 per cent. Consequently, the Standing Liquidity Facility available to Primary Dealers from the Reserve Bank as collateralised liquidity support will now be available at the revised repo rate of 5.50 per cent.
(Link: RBI Circular 281/2026 Dated 07/10/2026)

RBI- Non Resident Deposits, Comprehensive Single Return (NRD-CSR) under CIMS Sankalan Portal: The NRD-CSR reporting has since moved to Centralised Information Management System (CIMS) Sankalan Portal. The return can be submitted to RBI on CIMS through one of the three channels, i.e. System-to-system integration, File upload on Data Portal and Screen based web form on Data Collection Portal.
(Link: RBI Circular 280/2026 Dated 01/10/2026)

RBI- Board Committee or Management Committee allowed to Approve Form A2 Remittance Guidelines: It has been decided that Authorised Dealers shall frame appropriate internal guidelines with the approval of their Board or any Board Committee / Management Committee to which powers have been delegated by the Board, for the purpose of facilitating outward forex remittances on the basis of online / physical submission of Form A2 and other related documents.(Link: RBI Circular 279/2026 Dated 01/10/2026)

RBI- Amendments to RBI Local Area Banks Acquisition and Holding of Shares or Voting Rights directions: The amendment modifies provisions governing acquisition and holding of shares or voting rights. While prior approval remains mandatory for an initial acquisition of major shareholding, the RBI may now grant qualifying mutual funds, insurance companies and pension funds a one-time approval for subsequent acquisitions of major shareholding up to 10 per cent of the paid-up share capital or voting rights of a banking company.
(Link: RBI Circular 278/2026 Dated 01/10/2026)

RBI- Amendments to RBI Payments Banks Acquisition and Holding of Shares or Voting Rights directions: The amendment modifies provisions governing acquisition and holding of shares or voting rights. While prior approval remains mandatory for an initial acquisition of major shareholding, the RBI may now grant qualifying mutual funds, insurance companies and pension funds a one-time approval for subsequent acquisitions of major shareholding up to 10 per cent of the paid-up share capital or voting rights of a banking company.
(Link: RBI Circular 277/2026 Dated 01/10/2026)

RBI- Amendments to RBI Small Finance Banks Acquisition and Holding of Shares or Voting Rights directions: The amendment modifies provisions governing acquisition and holding of shares or voting rights. While prior approval remains mandatory for an initial acquisition of major shareholding, the RBI may now grant qualifying mutual funds, insurance companies and pension funds a one-time approval for subsequent acquisitions of major shareholding up to 10 per cent of the paid-up share capital or voting rights of a banking company.
(Link: RBI Circular 276/2026 Dated 01/10/2026)

RBI- Amendments to RBI Commercial Banks Acquisition and Holding of Shares or Voting Rights directions: The amendment modifies provisions governing acquisition and holding of shares or voting rights. While prior approval remains mandatory for an initial acquisition of major shareholding, the RBI may now grant qualifying mutual funds, insurance companies and pension funds a one-time approval for subsequent acquisitions of major shareholding up to 10 per cent of the paid-up share capital or voting rights of a banking company.
(Link: RBI Circular 275/2026 Dated 01/10/2026)

RBI- Withdrawal of 268 Circulars and Guidelines on Currency Management: RBI has withdrawn 268 circulars and guidelines relating to currenc management as part of its ongoing exercise to rationalise and streamline the regulatory framework.
(Link: RBI Circular 274/2026 Dated 01/10/2026)

RBI- Delegation of ATM Cassette Swap Monitoring to Executive Committee: The instructions permits the Board of a bank to delegate the responsibility of monitoring the progress of implementation of cassette swap to a Committee of Executives.
(Link: RBI Circular 273/2026 Dated 01/10/2026)

RBI- Credit Facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs): The master circular consolidate the instructions issued and directs banks to strengthen credit planning and lending to SC/ST beneficiaries, including through district-level coordination mechanisms special bankable schemes and closer liaison with District Industries Centres. Banks are required to assist borrowers with applications and formalities, create awareness of available credit schemes, circulate RBI/NABARD instructions among staff and avoid insisting on deposits for specified Government- sponsored poverty alleviation and self-employment programmes. The Credit Enhancement Guarantee Scheme for Scheduled Castes (CEGSSC) is also covered, including eligibility, guarantee limits and tenure.
(Link: RBI Circular 272/2026 Dated 01/10/2026)

J. Miscellaneous



Misc.- MSME Amendment Act 2026, Commencement Dates for Various Sections: The notification has appointed two dates for commencement of specified provisions of the Micro, Small and Medium Enterprises Development (Amendment) Act 2026. Sections 2 to 7, Section 11 and Sections 13 to 17 (Definitions, the National Board, investment- and-turnover-based classification, free and voluntary digital registration, consequential interest provisions, TReDS-based settlement of MSME invoices, the establishment of additional Facilitation Councils, disclosures, penalties, adjudication, appeals and rule- making powers) came into force on 15 th October 2026, whereas Section 12 (Composition of Facilitation Councils) will

come into force on 15 th December 2026. Sections 8, 9 and 10, dealing with significant delayed-payment dispute-resolution and enforcement reforms, have not been assigned a commencement date under this particular notification.
(Link: MSME Notification Dated 12/10/2026)

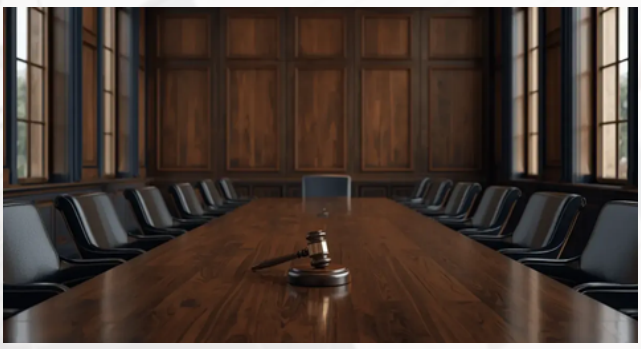
Misc.- SC, Agreement to Sell does not Confer Ownership: Case of Smt. Rano Singh vs Gurbax Singh (D), SC Judgement Dated 16 th October 2026. The apex court held that Agreement to Sell Does Not Confer Ownership. The Possession Claim fails where contract was abandoned and Registered Sale remained unchallenged.
(Link: SC Judgement Dated 16/10/2026)

Misc.- SC, Highest Bid cannot be Rejected Solely for being Below Bidder's Earlier Offer: Case of Dhanlaxmi Merchandise Pvt Ltd vs State of Madhya Pradesh, SC Judgement Dated 14 th October 2026. The apex



court ruled that the state cannot cancel a competitive sand-mining auction merely because the highest bid is lower than an amount the same bidder offered in a previous auction.
(Link: SC Judgement Dated 14/10/2026)

Misc.- SC, Goa is th Arbitration Seat despite Delhi Venue Clause: Case of Arcis Clean Energy Pvt Ltd vs Parshva Innovation, SC Judgement Dated 12 th October 2026. The apex court reiterated that when an arbitration agreement contains conflicting clauses mentioning multiple cities, the contract must be read as a whole. Because contract Clause 38 explicitly vested exclusive jurisdiction in the courts of Goa, Goa constituted the legal/juridical seat. Consequently, the Delhi HC had no authority to entertain arbitrator appointment application, leaving the parties free to approach competent court in Goa.
(Link: SC Judgement Dated 12/10/2026)



Misc.- SC, Upholds Widow Absolute Bhumidhari Rights under Hindu Succession Act: Case of Sultan Singh (Dead) Through LRs and Others Vs Financial Commissioner, Government of NCT of Delhi, SC Judgement Dated 9th October 2026. The apex court held that the rule of succession for a female Bhumidhari is determined by the personal law applicable at the time of her death, not the law in force.
(Link: SC Judgement Dated 09/10/2026)

Misc.- SC, Prior Foreign Arbitration Clause cannot Bar Arbitration under Separate Agreements: Case of Shubham Equipment Private Limited vs Rothwell Water Company Limited, SC Judgement Dated 8 th October 2026. The apex court held that separate arbitration agreements in subsequent commercial contracts (the Joint Venture Agreement and MoU) operate independently of an earlier technical license agreement, and appointed the arbitrator.
(Link: SC Judgement Dated 08/10/2026)

Misc.- SC, EMD 10% Limit does not Bar Forfeiture of Further Auction Deposit: Case of ASJ Finsolutions Pvt Ltd vs Vikram Bajaj, SC Judgement Dated 28 th September 2026. The apex court ruled that the absence of an express forfeiture provision in the IBBI (Liquidation Process) Regulations, does not invalidate a forfeiture clause clearly stated in a specific e-auction notice. It upheld total forfeiture of Rs 6.39 crore deposited by the appellant.(Link: SC Judgement Dated 28/09/2026)

Misc.- SC, Unpaid Sale Consideration Does Not Void Completed Sale Deed: Case of Raziya Begum Vs. Nafisa Begum Abdul Hamid, SC Judgement Dated 7 th August 2026. The apex court held that a completed sale cannot be declared void merely because the purchaser failed to pay balance sale consideration promised under sale deed. Where ownership was intended to pass against a price partly paid and partly promised, the seller's remedy is to seek recovery of the unpaid amount, rather than cancellation of the conveyance.
(Link: SC Judgement Dated 07/08/2026)



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RBI's Monetary Stance, MSME Credit Support, GST Readiness and New Government Priorities



Introduction: Policy Signals That Matter to Businesses and Citizens

India's policy environment in November 2026 reflects a multi-dimensional agenda: maintaining price stability, improving access to formal credit, strengthening digital payments, supporting strategic manufacturing and energy security, and making regulatory systems more predictable. Recent announcements from the Reserve Bank of India (RBI), the Union Cabinet, the Securities and Exchange Board of India (SEBI) and the Goods and Services Tax Network (GSTN) have implications for banks, businesses, investors, MSMEs, technology providers and ordinary citizens.

This review brings together selected developments announced or effective around October–November 2026. It is designed as a practical policy briefing rather than a substitute for the underlying law, notification or circular. Readers should open the linked official document, check its scope and effective date, and obtain professional advice where a decision depends on detailed legal or tax interpretation.

RBI Monetary Policy: Repo Rate Raised to 5.50%

The RBI's Monetary Policy Committee (MPC), at its 63rd meeting held from 5 to 7 October 2026, voted unanimously to increase the policy repo rate by 25 basis points to 5.50%. The Standing Deposit Facility (SDF) rate was adjusted to 5.25%, while the Marginal Standing Facility (MSF) rate and the Bank Rate moved to 5.75%. The MPC also changed its policy stance to calibrated tightening.

The decision is significant because the repo rate is a key benchmark for the cost of short-term funds in the banking system. A higher policy rate can influence lending and deposit rates, bond yields, working-capital costs and investment decisions. The actual transmission to borrowers will depend on the benchmark used in their loan agreements, reset dates, bank spreads and liquidity conditions. Businesses with floating-rate borrowing should review their interest-cost assumptions and cash-flow forecasts.

Official source: RBI Monetary Policy page – October 2026 statements and documents
Official source: RBI MPC resolution – 5 to 7 October 2026
Official source: RBI current rates and market indicators

RBI Domestic Money Transfer Directions, 2026: A Consolidated Framework

On 11 November 2026, the RBI issued the Reserve Bank of India (Domestic Money Transfer) Directions, 2026. The directions consolidate and harmonise instructions governing domestic money transfer services and apply to scheduled commercial banks, regional rural banks, urban co-operative banks, state co-operative banks, district central co-operative banks and relevant authorised payment system operators and participants.

The directions address domestic transfer arrangements, including cash pay-out services through authorised channels such as ATMs and business correspondents. Their stated objective is to bring the existing instructions into a consolidated framework. The document also clarifies applicability and excludes card-to-card transfers from its scope, which remain governed by the relevant instrument-specific guidelines or approvals.

For banks and payment-system participants, the immediate task is to map existing products, operating procedures, agent arrangements, customer disclosures and controls against the new directions. Fintechs and service providers should coordinate with their regulated banking partners rather than assume that every transfer product is covered in the same way. Customers should continue to use authorised channels and retain transaction references and receipts.

Official source: : RBI notification – Domestic Money Transfer Directions, 2026 (11 November 2026)

Stand-Up India Scheme Extended Until March 2031



The Union Cabinet approved continuation of the Stand-Up India Scheme for five years, up to 31 March 2031. The scheme aims to promote entrepreneurship among women and entrepreneurs belonging to Scheduled Castes and Scheduled Tribes. The renewed phase targets financial assistance for an additional 2.5 lakh entrepreneurs over five years.
Eligible borrowers can seek composite loans or term loans above ₹10 lakh and up to ₹1 crore for setting up greenfield enterprises. The scheme covers manufacturing, services, trading and agriculture-allied activities. The Cabinet announcement also provides for a credit-guarantee corpus of ₹4,111 crore, with guarantee coverage stated at 85% of the loan amount.

The extension matters to first-generation entrepreneurs who may face difficulty arranging collateral or accessing institutional finance. However, a scheme announcement is not a guarantee of loan approval. Applicants must satisfy eligibility, project appraisal, documentation and lender requirements. Entrepreneurs should prepare a viable project report, realistic cash-flow projections, promoter contribution details and evidence of market demand before approaching a bank.

Official source: PIB – Cabinet approves continuation of Stand-Up India Scheme (11 November 2026)

Credit Guarantee Fund for Micro Units: Continuation and Lower Guarantee Fee



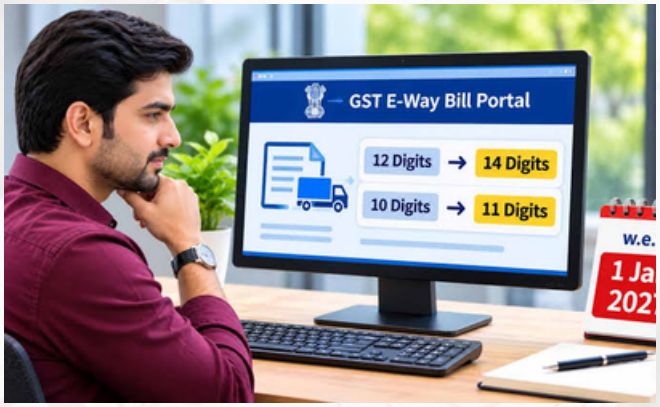
The Cabinet has also approved continuation of the Credit Guarantee Fund for Micro Units (CGFMU) for five years up to 31 March 2031. The fund supports lending institutions against default risk on eligible credit facilities, including loans extended under the Pradhan Mantri Mudra Yojana (PMMY). The approval provides for a corpus of ₹5,000 crore.

The Cabinet release states that the guarantee fee for eligible PMMY loans will reduce from 1% per annum to 0.75% per annum. The scheme is expected to facilitate PMMY lending of around ₹12.6 lakh crore over the five-year period. The announcement also describes the coverage of specified facilities, including eligible micro-enterprise loans up to ₹20 lakh, certain Jan Dhan overdrafts and qualifying self-help group loans.

For micro and small businesses, the policy signal is continued emphasis on expanding formal credit. The guarantee is designed to support lenders; it should not be confused with a direct grant or automatic loan entitlement for a borrower. Micro entrepreneurs should compare loan terms, interest rates, repayment schedules and total borrowing costs, and should avoid taking credit without a clear repayment plan.

Official source: PIB – Cabinet approves continuation of Stand-Up India Scheme (11 November 2026)

GST and E-Way Bill: Numbering Format Revision from 1 January 2027



GSTN has announced a revision in the numbering formats for E-Way Bills and Consolidated E-Way Bills with effect from 1 January 2027. The E-Way Bill number is proposed to move from 12 digits to 14 digits, while the Consolidated E-Way Bill number is proposed to move from 10 digits to 11 digits. The change is intended to expand identification capacity in response to the increasing volume of transactions.
Although the revision is technical, it may affect accounting software, enterprise resource planning (ERP) systems, transport-management platforms, application programming interfaces (APIs), databases, validation rules and printed or digital

document templates. Businesses that generate or receive E-Way Bills through integrated systems should confirm that their software providers are preparing for the revised lengths.

Taxpayers should not treat this numbering change as a change in the basic legal conditions for generating an E-Way Bill. The announcement, by itself, does not alter the applicable consignment-value threshold, validity rules or underlying movement-of-goods requirements. Businesses should monitor further GSTN technical instructions, test integrations in the available sandbox environment and complete system changes before the effective date.

Official source: GST System – official advisories and E-Way Bill updates
Official source: GSTN advisory summary on the numbering revision (official portal news listing)

SEBI Settlement Regulations, 2026: New Framework Effective 7 November



SEBI's Settlement of Administrative and Civil Proceedings Regulations, 2026 were notified in the Official Gazette on 7 October 2026 and came into effect on 7 November 2026. The regulations establish the procedure and terms for settlement of administrative and civil proceedings under the securities-law framework.

A settlement mechanism can provide a structured route for resolving eligible regulatory proceedings, subject to the conditions, exclusions, process and decision-making requirements contained in the regulations. It is not an automatic right to settle every alleged violation, nor does it remove the need for market participants to maintain robust compliance systems.

Listed companies, intermediaries, market infrastructure institutions and compliance professionals should review the new regulations and update internal escalation procedures. Where a regulatory matter arises, the organisation should assess the relevant provisions, preserve records and obtain specialist legal advice before making any application or communication to the regulator.

Official source: SEBI – Settlement of Administrative and Civil Proceedings Regulations, 2026 (PDF)
Official source: SEBI – Media releases and regulatory announcements

Critical Mineral Processing: ₹2,814 Crore Capex Support



The Union Cabinet has approved a capital-expenditure support scheme with an outlay of ₹2,814 crore to promote critical mineral processing, with a focus on lithium and nickel processing. Critical minerals are important inputs for batteries, electric mobility, renewable-energy storage, electronics and advanced manufacturing. Developing domestic processing capabilities can help India strengthen supply-chain resilience and reduce exposure to concentrated international sources.

The opportunity extends beyond the companies that directly process minerals. It can create demand for engineering services, specialised equipment, industrial construction, testing, logistics, research, recycling and skilled manpower. Businesses interested in participating should track the implementing ministry's detailed guidelines, eligibility conditions, incentive structure and application process before making investment commitments.

Official source: PIB – Cabinet decisions and official policy announcements (November 2026)

Grid-Scale Energy Storage: ₹14,500 Crore Viability Gap Funding



The Cabinet has approved a ₹14,500 crore Viability Gap Funding (VGF) scheme to support development of 92 GWh of grid-scale energy storage systems. Large-scale storage can help balance electricity supply and demand, manage renewable-energy intermittency and improve grid flexibility. As solar and wind capacity expands, storage infrastructure becomes increasingly important for reliability and efficient power-system operations.

The policy has potential implications for battery manufacturers, project developers, power utilities, engineering and construction companies, technology providers and financiers. The eventual impact will depend on the scheme guidelines, procurement structures, project selection, implementation timelines and commercial arrangements. Stakeholders should distinguish between the Cabinet's approval of the scheme and the later award of individual projects.

Official source: PIB – Cabinet decisions, including the grid-scale storage VGF approval

Nutrient-Based Subsidy for Rabi 2026–27



On 11 November 2026, the Cabinet approved Nutrient-Based Subsidy (NBS) rates for the Rabi 2026–27 season, covering phosphatic and potassic fertilisers for the period from 1 October 2026 to 31 March 2027. The NBS framework links subsidy support to notified nutrient content and is intended to support the availability of key fertilisers for agriculture.

The decision is relevant to fertiliser manufacturers, importers, distributors, dealers and farmers. For the agricultural supply chain, the approved rates influence the subsidy framework applicable to covered fertilisers during the season. Businesses should consult the detailed Cabinet release and subsequent notifications for product-wise rates and operational provisions rather than relying on headline summaries.

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Official source: PIB – Cabinet decisions for November 2026

VISTAR: A New Statistical Transformation and Research Initiative

The Cabinet has approved the Viksit Bharat Initiative for Statistical Transformation, Analytics & Research (VISTAR) for 2026–27 to 2030–31. The initiative is intended to strengthen the statistical and analytical ecosystem. Reliable, timely and accessible data are essential for policy design, business planning, public investment decisions and evaluation of development programmes.

For businesses and researchers, stronger statistical capacity can improve the evidence base available for sector analysis, market sizing, regional planning and assessment of economic trends. The practical value will depend on implementation, data quality, institutional coordination, access arrangements and the release of detailed programme components.

Official source: PIB – Cabinet decisions and VISTAR announcement

What Businesses, Professionals and Investors Should Do Now



- Banks and borrowers: Review the RBI's monetary-policy stance, loan benchmarks, interest-reset dates and liquidity assumptions.
- Payment companies and banks: Map domestic money-transfer operations against the RBI's 2026 directions and update controls, contracts and customer processes.
- MSMEs and entrepreneurs: Examine Stand-Up India and Mudra-linked lending eligibility, prepare bankable project reports and compare the full cost of credit.
- Taxpayers and technology teams: Ask ERP, accounting and logistics vendors to confirm readiness for the revised E-Way Bill number formats before 1 January 2027.
- Listed entities and intermediaries: Review SEBI's new settlement regulations and strengthen compliance escalation and record-retention practices.
- Manufacturing and energy businesses: Monitor the detailed guidelines and implementation notices for critical-mineral processing and grid-scale storage schemes.
- Agriculture-linked businesses: Refer to the official Rabi 2026–27 NBS rates and relevant product-wise notifications.

Conclusion: From Policy Announcements to Practical Readiness

The latest policy developments point to a government and regulatory agenda that is simultaneously focused on macroeconomic stability, inclusive enterprise finance, digital infrastructure, market integrity and strategic capacity building. The RBI's calibrated tightening stance will influence the financial environment, while its consolidated domestic money-transfer directions seek to provide a clearer framework for payment services. The continuation of Stand-Up India and the Credit Guarantee Fund for Micro Units reinforces the policy focus on entrepreneurship and credit access.

At the same time, the GSTN's planned E-Way Bill numbering revision is a reminder that even technical changes can require advance preparation across business systems. SEBI's new settlement regulations are relevant to market conduct and regulatory compliance, while the Cabinet's approvals for critical-mineral processing, energy storage, fertiliser subsidies and statistical transformation reflect longer-term priorities.

For businesses, the key is not merely to track announcements but to translate them into action: assess eligibility, review contracts and systems, plan funding, train teams and monitor official notifications. Policy announcements often provide the direction; the detailed notification, scheme guideline or regulator circular determines the operational requirements. The Worldonomics Times will continue to track these developments and explain their implications for India's business, finance and professional community.

INDIAN TRADE & FOREIGN POLICY UPDATES – 2026

Free Trade Agreements, Export Promotion, Import Rules and India's Expanding Global Economic Partnerships



Introduction: India's Trade Policy in a Changing Global Economy

India's trade and foreign economic policy in 2026 is being shaped by shifting supply chains, geopolitical uncertainty, changing tariff regimes, digital commerce and the need to expand export markets. The policy agenda combines negotiations for preferential market access with domestic reforms in export finance, logistics, customs processes, standards, trade facilitation and market intelligence.

For Indian businesses, trade policy is no longer limited to customs duties or export incentives. A company entering an overseas market must understand rules of origin, product standards, sanitary and phytosanitary requirements, customs procedures, foreign-exchange rules, logistics costs, intellectual-property protection and the terms of the relevant trade agreement. The developments below summarise selected official announcements and measures available up to 14 November 2026.

This article is an information briefing, not a determination of tariff eligibility or legal entitlement. Preferential duty benefits depend on the product's HS classification, origin rules, shipment documentation, the importing country's implementation and the relevant agreement. Exporters and importers should verify the applicable notification and consult customs or trade specialists before making commercial commitments.

Export Promotion Mission: ₹25,060 Crore Framework for 2025–26 to 2030–31

The Government's Export Promotion Mission (EPM), launched in 2025, is a central element of India's export competitiveness agenda. The mission has a total outlay of ₹25,060 crore for FY 2025–26 to FY 2030–31 and is designed to bring together financial and non-financial support for exporters, particularly MSMEs and businesses seeking to enter new markets.

The mission is structured around two integrated sub-schemes. NIRYAT PROTSAHAN focuses on improving access to trade finance through instruments such as interest support, export factoring, collateral or credit guarantees for export credit, credit support for e-commerce exporters and other credit-enhancement measures. NIRYAT DISHA focuses on non-financial enablers, including export quality and compliance, international branding and packaging, market access, export logistics, warehousing and trade intelligence

The practical significance is that export readiness requires more than a buyer order. A small exporter may need pre-shipment finance, working capital during production, testing and certification, compliant packaging, overseas marketing and reliable logistics. The mission's two-part design

recognises these connected requirements. Exporters should consult the latest DGFT trade notices and scheme guidelines because support instruments may have specific eligibility, documentation, bank and sector conditions.

Official source: PIB – Government expands FTAs and export-promotion measures (21 July 2026)
Official source: DGFT – Trade Notices and scheme guidelines

India–New Zealand FTA: Agreement Entered into Force on 20 October 2026



The India–New Zealand Free Trade Agreement entered into force on 20 October 2026, according to the Ministry of Commerce and Industry's September 2026 announcement. The agreement was signed on 27 April 2026. The Government stated that 100% of India's exports would receive zero-duty access to New Zealand from the first day of implementation, subject to the agreement's product coverage and applicable rules.

The announcement highlighted opportunities in textiles, leather, footwear, engineering goods and agri-processing, alongside broader opportunities for investment, technology, youth, women and MSMEs. Preferential access can improve price competitiveness, but exporters must still satisfy product standards, origin rules, labelling, customs and other importing-country requirements.

DGFT subsequently issued Public Notice No. 33/2026-27 dated 17 October 2026 to amend the Handbook of Procedures, 2023 and incorporate Tariff Rate Quota (TRQ) provisions under the India–New Zealand FTA. This illustrates why businesses must review both the agreement text and the implementing customs or DGFT notices. Where a product is subject to a quota or special tariff arrangement, the exporter or importer should check the quantity limits and administrative procedure.

Official source: PIB – India–New Zealand FTA to enter into force from 20 October 2026
Official source: Gazette of India – DGFT Public Notice No. 33/2026-27 on TRQs
Official source: Department of Commerce – Trade Agreements

India–United Kingdom CETA: Trade Agreement Effective from 15 July 2026



The India–United Kingdom Comprehensive Economic and Trade Agreement (CETA) entered into force on 15 July 2026, as announced by the Government in June 2026. The official announcement stated that the agreement provides provides zero-duty access on approximately 99% of India's exports to the UK, covering nearly 100% of trade value, subject to the agreement's schedules, rules of origin and product-specific conditions.

The agreement covers goods and services and includes provisions addressing digital trade, telecommunications, financial services, intellectual property, government procurement, innovation, small and medium enterprises, sustainability and transparency. The Government also highlighted opportunities for labour-intensive sectors such as textiles, leather, marine products, engineering goods and processed foods, as well as services exports across 137 sub-sectors.

For Indian exporters, the agreement may create opportunities to review UK pricing, distributor relationships and product positioning. However, duty preferences do not remove the need to comply with UK product safety, technical, environmental, food-safety, packaging and consumer-protection rules. Professional and services firms should study the relevant schedules and recognition or mobility provisions rather than assume that market access automatically authorises professional practice.

Official source: PIB – India–UK CETA to enter into force from 15 July 2026
Official source: Department of Commerce – India–United Kingdom CETA

India–EU FTA: Negotiations Concluded in January 2026

The Government's July 2026 trade-policy update stated that negotiations for the India–European Union Free Trade Agreement concluded on 27 January 2026. The conclusion of negotiations is an important milestone, but it should not be confused with the agreement entering into force. Legal review, formal signing, ratification or approval processes and implementation arrangements determine when businesses can actually claim preferential treatment.

The EU is a major market with sophisticated regulatory requirements. Indian exporters in textiles, apparel, pharmaceuticals, engineering, chemicals, IT and professional services will need to follow the final agreement's market-access schedules and applicable EU standards. For goods, the commercial impact will depend on tariff schedules, rules of origin, safeguards and sector-specific requirements. For services, it will depend on the commitments and limitations in the final text.

Businesses should therefore treat the concluded negotiations as a reason to prepare market-entry strategies, not as permission to apply future agreement page should be monitored for official publication of the text and subsequent implementation updates.

Official source: PIB – Government update on FTAs and export-market diversification
Official source: Department of Commerce – India–EU trade agreement information

India–Oman CEPA: Preferential Trade Framework Operational from June 2026



The Government's July 2026 summary lists the India–Oman Comprehensive Economic Partnership Agreement (CEPA) as signed on 18 December 2025 and implemented from 1 June 2026. The agreement is part of India's effort to deepen commercial links with West Asia and expand access for goods and services.

Oman's location and logistics infrastructure can be relevant to Indian exporters seeking to serve Gulf - markets and, in some cases, wider regional supply chains. Businesses should examine the product-specific tariff commitments, origin rules, customs documentation and any exclusions or transition periods before quoting preferential prices.
DGFT Trade Notice No. 06/2026-27, dated 29 May 2026, addressed electronic filing and issuance of preferential Certificates of Origin under the India–Oman CEPA with effect from 1 June 2026. A Certificate of Origin is a key document for claiming a preferential tariff where the agreement requires it. Exporters should use the prescribed electronic process and ensure that the origin declaration is supported by proper production and sourcing records.

Official source: PIB – India's FTA implementation status and trade initiatives
Official source: DGFT Trade Notice No. 06/2026-27 – electronic Certificate of Origin process
Official source: Trade Connect ePlatform – trade information and certificates

RoDTEP Scheme: Continuation Until 31 December 2026



The Remission of Duties and Taxes on Exported Products (RoDTEP) scheme is intended to refund specified embedded duties, taxes and levies that are not otherwise refunded or rebated. The DGFT notification list records Notification No. 41/2026-27 dated 30 September 2026 as providing for continuation of the RoDTEP scheme until 31 December 2026.

The scheme is relevant to eligible exporters across notified tariff lines, subject to the rates, value caps, exclusions and procedural requirements in force. Exporters should check the current RoDTEP schedule for the relevant HS code and ensure that declarations in the shipping bill and subsequent electronic processes are correct. A scheme's continuation does not mean every exported product qualifies or that a single uniform rate applies.

Exporters should also monitor subsequent notifications because rates, eligible tariff lines, caps and validity periods can be revised. The DGFT notification and the customs implementation framework should be read together before estimating export realisations.

Official source: DGFT Notifications – Notification No. 41/2026-27 and RoDTEP updates
Official source: DGFT – official portal

RELIEF Intervention: Support for Exporters Facing Trade and Logistics Disruption



The Resilience & Logistics Intervention for Export Facilitation (RELIEF) is part of the wider export-support architecture under the Export Promotion Mission.

DGFT's 2026 notification and trade-notice listings show amendments and extensions to timelines under RELIEF, as well as the constitution of a sub-committee for the intervention in October 2026.

The policy objective is to help address export disruptions and logistics-related challenges that can arise from changing trade conditions, geopolitical developments or disruptions in transport and market access. The exact assistance available depends on the notified component, eligible markets or sectors, application dates and documentary requirements.

Exporters should maintain evidence of the disruption and its financial impact, including shipping documents, contracts, insurance correspondence, freight quotations, buyer communications and proof of additional costs. They should rely on the current DGFT guidelines and trade notices rather than assume that every increase in freight or delay qualifies for assistance.

Official source: DGFT Trade Notices – RELIEF updates, including Trade Notice 33/2026-27
Official source: DGFT Notifications – RELIEF timeline amendments

Cross-Border E-Commerce Exports: Inventory-Based Framework

DGFT Notification No. 27/2026-27, dated 5 August 2026, introduced an inventory-based cross-border e-commerce export framework under the Foreign Trade Policy. The measure forms part of the broader effort to make it easier for Indian businesses to sell internationally through digital channels.

Cross-border e-commerce can create export opportunities for small manufacturers, artisans, consumer brands and specialised product businesses. An inventory-based model may require exporters to understand overseas storage, inventory ownership, customs treatment, returns, refunds, product compliance and the role of marketplace or logistics partners. The commercial model should be assessed carefully because overseas warehousing and fulfilment can add cost and regulatory complexity.

The Government has also referred to pilot E-Commerce Export Hubs (ECEHs) intended to bring together logistics, customs clearance and other export-related services. These initiatives are relevant to smaller exporters that may not have the scale to independently manage every part of an international distribution chain.
Official source: DGFT Notifications – Notification No. 27/2026-27 on inventory-based e-commerce exports
Official source: PIB – Export Promotion Mission and E-Commerce Export Hubs



The Government's July 2026 trade-policy update records changes intended to simplify exports through courier mode. It states that the per-consignment value limit of ₹10 lakh for exports through courier mode was removed through DGFT Notification No. 67/2025-26 dated 27 March 2026 and CBIC Notification No. 34/2026 dated 31 March 2026.

The same update refers to CBIC Notification No. 33/2026 dated 31 March 2026, which simplified reverse logistics by facilitating re-import of export rejects and returned goods in cross-border e-commerce. These changes are relevant to small exporters and online sellers who use courier networks rather than conventional bulk cargo channels.

Businesses should nevertheless follow the applicable courier shipping bill, customs declaration, export realisation, restricted-goods and return documentation requirements. Removal of a value ceiling does not remove customs controls or other legal obligations. Exporters should confirm the current process with their authorised courier operator and customs broker.

Official source: PIB – Export simplification measures and courier export reforms

Official source: CBIC – Customs notifications and circulars

Trade Connect ePlatform: Digital Access to Global Trade Information

The Trade Connect ePlatform is intended to provide exporters and businesses with digital access to trade-related information and services. DGFT trade notices in 2026 include the introduction of Open API integration for Certificates of Origin through the platform and initiatives to expand its use for eligible start-ups under the Source from India initiative.

The platform can support businesses seeking information about markets, trade agreements, export procedures, certificates and overseas opportunities. For an exporter, the value of trade intelligence lies in converting information into a market plan: identify buyers, understand tariff and non-tariff barriers, check standards, calculate landed cost and confirm logistics and payment arrangements.

Start-ups and MSMEs should use official trade information as a starting point and independently validate market demand, buyer credentials and commercial terms. Digital listings or access to information do not guarantee orders or payment.
Official source: Trade Connect ePlatform
Official source: DGFT Trade Notices – API and Source from India updates

India's Wider FTA Negotiation Agenda



The Government's July 2026 update lists several trade negotiations and review processes, including India–Eurasian Economic Union FTA, India–Peru FTA, India–Chile FTA, India–Israel FTA, India–Canada CEPA, India–Maldives FTA, an upgrade of the India

Korea CEPA, an upgrade of the India–Sri Lanka ETCA, an upgrade of the India–Australia CECA and the review of the ASEAN–India Trade in Goods Agreement (AITIGA).

The same update records that India and the United States announced a framework for an Interim Agreement on 7 February 2026, with negotiations ongoing at the time of the Government's release. These processes should be distinguished from signed and implemented agreements. Negotiations can change in scope and timing, and a framework announcement does not itself create a tariff entitlement.



For companies, the expanding negotiation agenda makes it useful to map export exposure by country and product. Businesses can identify markets where existing agreements already provide preferences, markets where negotiations may change future access, and markets where non-tariff requirements or logistics costs remain the main barriers.

Official source: PIB – List of recent FTAs and ongoing trade negotiations (21 July 2026)
Official source: Department of Commerce – International Trade and Trade Agreements

What Indian Exporters and Importers Should Do Now



- Identify the correct ITC-HS/HS classification for every product and verify current export or import policy conditions.
- Check whether the destination market has an implemented FTA with India and verify product-specific tariff schedules and rules of origin.
- Maintain supplier declarations, bills of materials, production records and other evidence needed to support origin claims.
- Review RoDTEP eligibility and the current rate, cap and procedural requirements for each tariff line.
- Assess Export Promotion Mission support under NIRYAT PROTSAHAN and NIRYAT DISHA using the latest DGFT guidelines.

- Use Trade Connect, Export Promotion Councils, Indian Missions and credible market research to validate overseas demand and buyer credentials.
- Before using e-commerce or courier export routes, understand customs declarations, returns, overseas fulfilment, tax and foreign-exchange requirements.
- Keep an eye on DGFT notifications and trade notices; policy conditions can change after the publication of a general announcement.

India's trade policy in 2026 combines preferential market access with practical export facilitation. The implementation of the India–UK CETA, India–Oman CEPA and India–New Zealand FTA creates new routes for eligible Indian goods and services. The conclusion of India–EU negotiations and the continuing agenda with other partners indicate the breadth of India's trade engagement, while the Export Promotion Mission, RoDTEP, RELIEF, courier reforms and e-commerce initiatives address the operational challenges exporters face.

For businesses, the central task is to convert policy access into commercially sustainable trade. That requires competitive products, verified buyers, reliable logistics, accurate documentation, compliance with foreign standards and disciplined management of foreign-exchange and payment risks. MSMEs in particular can benefit by using official support mechanisms, export-promotion institutions and digital trade platforms while building their own capabilities.

Conclusion: Building a More Connected and Competitive Trading Economy

Trade agreements create opportunities, but they do not guarantee exports. The gains will depend on the ability of Indian firms to meet quality standards, deliver consistently, understand market preferences and compete on total landed cost. The Worldonomics Times will continue to track India's trade agreements, DGFT notifications, export incentives and international economic developments for the benefit of the business and professional community.

Editorial note: This article summarises selected official announcements and regulatory developments available up to 14 November 2026. Trade agreement implementation, tariff concessions, export incentives and import/export conditions are product- and notification-specific. Readers should verify the latest official texts, schedules and customs instructions before relying on any preferential rate or scheme benefit. This article is for general information and does not constitute legal, customs, tax or investment advice.



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Manufacturing Msmes

The Next Growth Engine Of India’s Industrial Economy

From Small Manufacturing Units to Global Supply Chain Partners

India’s manufacturing ambitions will be powered not only by large corporations, but also by thousands of agile MSMEs supplying components, machinery, materials and specialised products. Their next leap will depend on technology, quality, finance, market access and professional management.



The Changing Face of Indian Manufacturing

India's journey towards becoming a globally competitive manufacturing powerhouse will not be driven by large industrial corporations alone. Behind major automobile manufacturers, infrastructure companies, electronics producers, engineering enterprises and defence organisations lies an extensive network of Micro, Small and Medium Enterprises (MSMEs).

These enterprises manufacture components, supply industrial materials, provide technical services, undertake specialised production and support the operations of large industries. Their contribution extends beyond production: they create employment, encourage entrepreneurship, strengthen domestic supply chains and promote regional industrial development.
The Economic Survey 2025-26 figures cited in the source article place MSME contribution at approximately 35.4% of India's manufacturing output, 48.58% of exports and 31.1% of GDP. These figures underline the strategic importance of MSMEs in the national economy.

MSMEs: The Backbone of the Industrial Ecosystem

Manufacturing MSMEs operate across automobile components, engineering products, electronics, electrical equipment, textiles, garments, food processing, pharmaceuticals, chemicals, industrial machinery, construction materials, defence components and renewable-energy equipment.

Their strength lies in flexibility and specialisation. A large manufacturer may rely on hundreds of smaller suppliers for precision components, fasteners, fabricated products, packaging, electrical systems and specialised assemblies. MSMEs therefore form an essential layer of the industrial value chain.

The opportunity is to move beyond local markets and become dependable suppliers to national and international customers. This calls for a shift in business thinking: the objective should not merely be to produce goods, but to build a reliable, quality-driven and professionally managed enterprise.

From Small Factory to Strategic Industrial Supplier

The next stage of growth is not simply about installing more machines or increasing output. It is about becoming a preferred supplier. Institutional buyers expect consistent quality, competitive costing, timely delivery, reliable documentation, skilled manpower and strong financial controls.

Manufacturers should establish standard operating procedures, monitor rejection rates, maintain traceability and use production data to improve performance. They should also develop clear systems for procurement, stores, production scheduling, dispatch, customer complaints and after-sales support.

A small unit that adopts these disciplines can progressively qualify for orders from large private companies, public-sector undertakings and export customers. Reliability can become a competitive advantage just as important as price.

Technology and Automation: The Next Competitive Advantage

Technology is no longer a luxury reserved for large manufacturing corporations. Automation, computer-aided design, enterprise resource planning (ERP), digital inventory management, machine monitoring and data-based production planning are becoming essential tools for MSMEs.

Even modest digital upgrades can help an enterprise track raw-material consumption, machine utilisation, production delays, energy use and quality defects. Digital records also improve planning and make it easier to identify bottlenecks and recurring losses.

The Ministry of MSME's Technology Centre ecosystem offers technical services, training and support that enterprises can explore when planning an upgrade. Industry associations and technical institutions can also help smaller businesses identify appropriate technologies.

MSMEs: The Backbone of the Industrial Ecosystem



Before investing in automation, an entrepreneur should identify the problem that the investment is expected to solve. Will it reduce cycle time, improve precision, lower rejection, save energy, reduce material wastage or increase capacity? A clear business case helps avoid spending on technology that does not improve competitiveness.

Technology should be viewed as an investment in productivity—not merely an expense. The objective is to produce more efficiently, improve consistency and increase profitability while retaining the flexibility that makes MSMEs valuable.

Quality Certification: The Gateway to Institutional Markets



One of the biggest barriers faced by small manufacturers is the inability to meet the technical and quality requirements of large institutional buyers. A company may manufacture a good product, but without suitable testing, certification and quality documentation, it may struggle to secure large industrial orders.

Quality assurance must therefore become a central business strategy. Depending on the sector and customer requirements, enterprises should explore relevant quality management systems, product certifications, testing facilities, calibration and process documentation.

Initiatives such as Zero Defect Zero Effect (ZED) encourage MSMEs to improve product quality, manufacturing processes and environmental performance. Strong quality systems can reduce rework, minimise rejection and strengthen a manufacturer's reputation.

The Union Budget 2026-27 proposed a ₹10,000 crore SME Growth Fund to support high-potential enterprises. MSMEs should also examine suitable institutional credit, eligible credit-guarantee mechanisms and receivables-financing options such as the Trade Receivables Discounting System (TReDS).

Access to finance must be supported by sound financial management. Manufacturers should regularly monitor inventory turnover, debtor collection periods, product-wise margins, cash-flow projections, debt-servicing capacity and working-capital cycles.

Financial Discipline Builds Investor and Lender Confidence



Accurate books of account, realistic project reports, transparent financial statements and reliable cost information help lenders and investors assess business performance. Entrepreneurs should prepare cash-flow forecasts before taking expansion decisions and stress-test their plans against delayed payments, input-price changes and lower-than-expected demand.

A business that understands its financial position can negotiate more effectively, price products with confidence and manage expansion more sustainably.

Government Procurement and PSU Opportunities



One of the most promising opportunities for Indian manufacturing MSMEs is the government and public-sector procurement market. Public-sector undertakings, government departments and infrastructure organisations purchase a wide range of industrial products, equipment, components, materials and services.

MSMEs can explore Government e-Marketplace (GeM) registration where applicable, PSU vendor registration, Vendor Development Programmes, relevant tenders, National SC-ST Hub support for eligible enterprises and NSIC-supported marketing initiatives.

Entering these markets requires preparation. Businesses must understand tender conditions, technical specifications, eligibility criteria, financial requirements, quality standards, earnest money and performance-security provisions, and delivery obligations. Winning one order should not be the ultimate objective; the larger goal is to develop a sustainable institutional customer base.

Global Supply Chains: India's Opportunity



Global manufacturing supply chains are evolving, creating opportunities for countries that can offer reliable production, competitive costs and Exporting requires more than producing goods at competitive prices. MSMEs must understand international product standards, packaging, export documentation, logistics, quality certifications and foreign customer expectations. Market research, product development and dependable delivery are essential to building long-term relationships.

The Role of Finance Professionals



Manufacturing growth requires more than production expertise. Chartered Accountants, Cost Accountants and other finance professionals can help enterprises improve product costing, cost control, budgeting, working-capital management, project evaluation, internal controls, compliance and tender profitability.

Accurate cost information enables an entrepreneur to price products competitively without sacrificing margins. Better financial planning supports investment decisions, capacity expansion and sustainable growth. As MSMEs scale, professional finance systems become a source of resilience and credibility.

Challenges That Must Be Overcome



Technology gaps, shortages of skilled workers, delayed payments, limited market access, compliance requirements and constraints on production scale continue to affect smaller manufacturers. Addressing these issues requires coordinated action by government institutions, financial organisations, industry associations, professional bodies and educational institutions.

Industry clusters, shared testing facilities, skill-development programmes, improved logistics and timely payments can make a meaningful difference to the competitiveness of manufacturing MSMEs.

Building the Manufacturing MSME of Tomorrow



The manufacturing MSME of the future must combine entrepreneurial flexibility with professional management and modern technology. Every enterprise should consider a structured growth roadmap:

- Formalisation: Obtain Udyam registration and maintain proper business documentation.
- Modernisation: Upgrade machinery, production systems and suitable digital tools.
- Quality improvement: Introduce standard operating procedures and relevant certifications.
- Skill development: Train employees and strengthen technical capabilities.
- Financial discipline: Improve costing, cash-flow planning and working-capital management.
- Market expansion: Explore institutional customers, PSUs and large private-sector buyers.

- Digital transformation: Adopt appropriate ERP, inventory and production-management systems.
- Export readiness: Align products and processes with international requirements.
- Sustainable scaling: Expand capacity in line with demand, cash flow and financial strength.



Conclusion: Small Enterprises, Big Industrial Ambitions

India's manufacturing ambitions cannot be achieved without a strong, competitive and technologically advanced MSME ecosystem. Large corporations may create industrial capacity, but MSMEs strengthen the supply chains that make industrial expansion possible. They create employment, encourage innovation, support regional development and provide opportunities for entrepreneurs across the country.

The next phase of growth will depend on how successfully enterprises adopt technology, improve quality, strengthen financial management, enter institutional markets and participate in global supply chains. For policymakers, the priority should be to create an enabling environment that supports access to finance, technology, infrastructure, skills and markets.

For entrepreneurs, the priority is to build businesses that are productive, professionally managed and quality-driven. For financial institutions and professional bodies, the opportunity lies in helping MSMEs become stronger, more transparent and investment-ready enterprises.



CA Sangam Aggarwal

National Vice President, INCOC

The New World Economic Order

How Global Power Is Shifting Between Nations

From Small Manufacturing Units to Global Supply Chain Partners

The global economy is undergoing a structural transformation. Economic influence, once concentrated among a relatively small group of advanced economies and institutions, is becoming more widely distributed. The rise of emerging markets, competition over technology and energy, changing trade routes and renewed geopolitical tensions are reshaping how nations cooperate, compete and exercise influence.



A World in Transition

The international economic system that emerged after the Second World War was built around institutions, rules and alliances in which the United States and its partners played a central role. The dollar became the leading reserve and trade currency; the International Monetary Fund and World Bank became central to global financial cooperation; and successive rounds of trade liberalisation helped expand cross-border commerce.

That system has not disappeared. The United States remains a major financial, technological and military power; Europe remains an important market and regulatory force; and multilateral institutions continue to influence economic policy. Yet the distribution of economic weight has changed. China has become a manufacturing and trading powerhouse, India has expanded its economic scale and diplomatic reach, and several countries across Asia, Africa, Latin America and the Middle East have gained strategic importance.

The result is not a simple replacement of one dominant power by another. It is a more complex, multipolar landscape in which influence is shared unevenly across finance, trade, technology, energy, security and institutions.

What Does the New World Economic Order Mean?

The phrase 'new world economic order' describes the changing distribution of economic influence and the rules that shape international commerce and finance. It includes the relative strength of major economies; control over critical resources and technologies; the geography of trade and investment; the role of international institutions; and the growing influence of regional and strategic groupings.

The transition is gradual and uneven. Some countries have financial influence but limited manufacturing capacity. Others dominate industrial supply chains but rely on imported energy or foreign technology. Economic power is therefore multidimensional: it is measured not only by GDP, but also by innovation, currency credibility, market size, skills, infrastructure, resources and the ability to build partnerships.

From Unipolarity to Multipolarity

After the Cold War, the United States enjoyed an unusually strong position in global affairs. Today, the rise of China, the growing role of India, the economic integration of Asia and the expanding voice of emerging economies have made the system more distributed. This does not mean that all powers are equal; rather, different countries hold influence in different domains.

1. The Rise of Emerging Economies

Emerging economies are no longer peripheral participants in the world economy. They are major sources of production, consumption, investment and innovation. China remains central to global manufacturing; India combines a large domestic market with expanding digital and industrial capabilities; Indonesia is important in minerals and regional manufacturing; Brazil is influential in agriculture and commodities; and Gulf economies are investing to diversify beyond hydrocarbons.

The rise of these countries is changing the geography of demand. Growing middle classes create markets for consumer goods, healthcare, education, financial services, mobility and digital products. At the same time, governments are investing in ports, roads, power systems, industrial parks and digital infrastructure to attract production and improve competitiveness.

The World Bank's January 2026 Global Economic Prospects projected developing-economy growth to moderate to 4.0% in 2026 from 4.2% in 2025, highlighting that higher growth does not automatically close income gaps with advanced economies. The development challenge remains substantial: countries need productivity, jobs, education and investment to convert economic scale into broad-based prosperity.

Why the Global South Matters

The term Global South is not a single political or economic bloc. It describes a diverse group of developing and emerging economies whose priorities often include access to development finance, fairer trade rules, technology transfer, climate finance, food and energy security, and greater representation in international institutions.

Many of these countries want strategic autonomy: the ability to work with multiple partners without being compelled to choose one geopolitical camp. Their approach is often pragmatic. A country may trade heavily with one power, obtain investment from another, cooperate on security with a third and participate in regional institutions with several others.

This flexibility can create opportunities, but it also requires diplomatic skill. Smaller economies may face pressure when major powers impose sanctions, export controls, investment restrictions or competing standards.

The Economic Weight of Demography

Population size alone does not create power. A young population becomes an advantage only when supported by education, health, skills, jobs and productive investment. India, Indonesia and several African economies have the potential to benefit from favourable demographics, but they must create employment at scale and improve the quality of human capital.

Countries with ageing populations face a different challenge: sustaining productivity, funding pensions and healthcare, and attracting skilled workers. Demographic change will influence migration, labour markets, public finances and the location of future demand.

2. BRICS+ and the Voice of the Global South

BRICS began as a forum of Brazil, Russia, India and China, with South Africa joining in 2011. The grouping has since expanded. Its wider membership includes Egypt, Ethiopia, Iran, the United Arab Emirates and Indonesia, alongside the original five. The expansion has broadened its geographic reach and increased its role in discussions about development, finance, trade and global governance.

BRICS is not a unified economic union with a common market, shared currency or single foreign policy. Its members have different economic structures, strategic interests and bilateral relationships. Its influence therefore depends on the ability to identify practical areas of cooperation rather than assume that all members will act as one.

The New Development Bank

The New Development Bank, established by the founding BRICS countries, is intended to mobilise resources for infrastructure and sustainable development. It provides an additional source of development finance alongside established multilateral and national institutions. Its membership has expanded beyond the original five, reflecting interest in alternative channels of development funding.

The bank's long-term significance will depend on the scale, quality and impact of its lending, its ability to mobilise capital at competitive rates, and the extent to which it complements rather than duplicates existing development institutions.

3. The Changing Roles of the United States, China and Europe

The United States: Financial and Technological Influence

The United States retains major strengths: the depth and liquidity of its capital markets, the international role of the dollar, leading universities, technology companies, energy resources and a large consumer market. Its financial system and government securities remain central to global capital flows.

At the same time, the country faces domestic debates over public debt, industrial policy, immigration, inequality and the cost of strategic competition. Trade restrictions, export controls and the use of economic sanctions have become more prominent instruments of policy. These measures can protect selected industries or pursue security goals, but they can also raise costs, create uncertainty and encourage other countries to diversify.

China: Manufacturing Scale and Strategic Technology

China's influence is rooted in its manufacturing ecosystem, infrastructure, export capacity and position in a wide range of industrial supply chains. It is a major producer of electronics, machinery, batteries, solar equipment, chemicals and consumer goods. Its large domestic market also supports companies seeking scale.

China is moving up the value chain in electric vehicles, telecommunications, advanced manufacturing, artificial intelligence and other strategic sectors. However, it faces challenges including property-sector adjustment, demographic pressures, local-government debt, external trade restrictions and the need to rebalance growth towards domestic consumption.

For other economies, China is simultaneously a major market, supplier, competitor and source of investment. This complexity makes blanket strategies difficult. Businesses must assess sector-specific dependencies and risks.

The European Union: Market Power and Regulation



The European Union remains one of the world's largest economic markets and a major force in setting standards. Its influence is visible in competition policy, product regulation, data protection, environmental rules and trade agreements. Companies seeking access to the European market often need to meet standards that can influence practices well beyond Europe.

Europe also faces structural pressures: slower productivity growth, energy costs, security concerns, demographic ageing and competition in advanced industries. Its ability to deepen its capital markets, strengthen innovation and coordinate industrial policy will shape its future influence.

4. Trade Is Being Rewired, Not Abandoned

Globalisation is not simply ending. Instead, trade is being reorganised around resilience, strategic compatibility, market access and security. Companies are reviewing supplier concentration, transport routes, inventory levels and exposure to sudden policy changes.

UN Trade and Development reported that global trade reached a record value of about $35 trillion in 2025, despite conflicts and rising restrictions. Its 2026 Trade and Development Report also highlights that the geography of trade is shifting and access to markets is becoming more selective.

This trend is sometimes described through terms such as 'friend-shoring', 'near-shoring' and 'China plus one'. These approaches do not necessarily mean that companies are abandoning established suppliers. They often mean adding alternative sources, moving selected production closer to customers or reducing dependence on a single country for critical inputs.



Who Benefits from Supply-Chain Diversification?

Countries that offer reliable infrastructure, skilled workers, competitive costs, predictable regulation and access to major markets may attract new investment. Vietnam, India, Mexico, Indonesia, Malaysia and several Central and Eastern European economies are among the locations that companies assess for different industries.

However, relocation is not automatic. Suppliers, logistics, ports, energy reliability, customs processes and workforce skills must be developed together. A country may attract an assembly plant but capture limited value if high-value components, design and intellectual property remain elsewhere.

5. Technology Is Becoming a Source of National Power

Economic power increasingly depends on control over technologies that underpin modern industry and security. Semiconductors, artificial intelligence, cloud computing, telecommunications, cybersecurity, advanced materials, biotechnology and quantum research are now strategic assets.

Semiconductors illustrate the interdependence of the modern economy. Their production relies on specialised equipment, intellectual property, materials, design capabilities and highly skilled workers spread across several countries. Disruption in one part of the chain can affect automotive production, consumer electronics, data centres and defence systems.

Artificial intelligence is another major source of competition. Countries that combine computing infrastructure, data access, research institutions, capital and skilled talent may gain productivity advantages. But AI also raises questions about employment, privacy, market concentration, energy consumption and the distribution of economic gains.

Digital Infrastructure and Data Sovereignty



Cloud services, data centres, digital identity, payment systems and cross-border data flows are becoming essential infrastructure. Governments increasingly debate where sensitive data should be stored, who can access it and which legal frameworks apply. Data sovereignty policies may protect national interests, but poorly designed restrictions can increase costs and fragment digital markets.

Digital public infrastructure can also become a source of international influence. India's experience with digital payments and public digital systems has attracted interest from other countries. The opportunity is to share interoperable, affordable and secure solutions while respecting local legal and institutional conditions.

6. Energy, Critical Minerals and Resource Diplomacy

Energy security remains a foundation of economic power. Oil and gas continue to influence transport, industrial costs and geopolitics, while renewable energy is changing investment priorities. Countries with strong capabilities in solar, wind, batteries, grid technology and energy storage may gain new industrial advantages.

The energy transition also creates demand for critical minerals such as lithium, cobalt, nickel, copper, graphite and rare earth elements. Their mining, processing and refining are geographically concentrated in different ways, creating new strategic dependencies.

Resource-rich countries have an opportunity to move beyond exporting raw materials by developing processing capacity, skills and local manufacturing. Buyers, meanwhile, are seeking diversified and responsible sources. Environmental safeguards, community rights and transparent contracts will be essential to making resource partnerships sustainable.

Climate Policy as an Economic Instrument



Climate measures increasingly affect trade and investment. Carbon standards, clean-energy incentives, emissions reporting and product traceability can influence which goods are competitive in international markets. Businesses must prepare for changing rules on emissions, supply-chain transparency and sustainable finance.

For developing economies, the challenge is to finance the transition without sacrificing industrialisation or energy access. For developing economies, the challenge is to finance the transition without sacrificing industrialisation or energy access. Affordable capital, technology transfer and predictable market rules are crucial.

7. The Dollar, Global Finance and Monetary Influence

The US dollar remains the leading international currency for reserves, trade invoicing and financial transactions. Its role is supported by the size of the US economy, deep capital markets, convertibility, institutional structures and the availability of dollar-denominated assets.

However, several countries are exploring ways to diversify reserves, settle selected trade transactions in local currencies and reduce exposure to exchange-rate volatility or financial sanctions. This does not mean that the dollar is about to lose its central role. Currency networks benefit from liquidity and trust, and alternatives need deep markets, convertibility and credible institutions.

The internationalisation of currencies is therefore likely to be gradual and uneven. Local-currency settlement can be useful in specific bilateral trade corridors, but it does not automatically create a global reserve currency.

8. International Institutions Under Pressure



The IMF, World Bank, World Trade Organization and other multilateral institutions were designed for a world in which cooperation among major powers was possible even amid political differences. Today, they face pressure to adapt to a more diverse membership, new sources of finance, climate-related needs, digital trade and geopolitical rivalry.

Developing countries have long argued that their voting power and representation should better reflect their share of the global population and economy. Reform debates include quota and governance arrangements, development finance, debt restructuring, trade dispute settlement and the ability to respond to cross-border shocks.

Multilateral institutions remain important because global problems cannot be managed by national policy alone. Financial crises, pandemics, climate risks, cyber threats and disruptions to shipping or food markets cross borders. The challenge is to make institutions more representative, effective and trusted.

9. Geopolitics and the Economics of Strategic Alignment

Trade and investment decisions are increasingly shaped by national security considerations. Export controls, sanctions, investment screening, tariffs and restrictions on technology transfer can change the commercial environment quickly. Companies must therefore understand not only customer demand and production costs, but also geopolitical exposure.

Countries are seeking strategic autonomy in critical sectors such as energy, food, defence, pharmaceuticals, semiconductors and telecommunications. Strategic autonomy does not necessarily mean self-sufficiency. It means having enough domestic capability, diversified suppliers and trusted partnerships to withstand disruption.

This approach can strengthen resilience, but it can also become expensive if every country tries to duplicate entire supply chains. The challenge is to distinguish genuinely critical dependencies from areas where open trade remains beneficial.

10. India's Position in the Emerging World Order



India occupies a distinctive position in the changing global landscape. It is a large and growing market, a major services exporter, an important voice among developing economies and a participant in several strategic partnerships. It engages with the United States, Europe, Russia, Japan, the Gulf, Africa and the wider Indo-Pacific while maintaining its own policy priorities.

India's demographic scale, digital capabilities, skilled workforce, entrepreneurial ecosystem and expanding infrastructure create significant opportunities. Its role in global services, pharmaceuticals, engineering, automotive components, digital payments and space-related activity offers a foundation for broader economic influence.

India's participation in BRICS, the G20, the Quad, the Shanghai Cooperation Organisation and other platforms reflects a multi-alignment approach. These forums have different purposes and memberships; together, they provide channels for dialogue on trade, security, development, technology and global governance

India as a Manufacturing and Supply-Chain Destination

To convert opportunity into durable influence, India must deepen manufacturing competitiveness. Priorities include logistics efficiency, reliable power, skilled labour, research and development, quality standards, access to finance, predictable regulation and stronger links between large companies and MSMEs.

The goal should not be limited to attracting assembly operations. India needs to build domestic suppliers, develop component ecosystems, expand design and engineering capabilities and increase value addition. MSMEs can play a major role if they have access to technology, testing, institutional procurement and working capital.

India's Services and Digital Advantage

India's services sector is an important source of export earnings and international engagement. IT services, business-process management, consulting, financial services, engineering design, education and digital platforms connect Indian talent to global markets.

The next opportunity lies in moving towards higher-value activities: AI implementation, cybersecurity, financial technology, research services, advanced engineering and specialised professional services. This requires continuous skill development, stronger innovation and attention to data protection and international compliance.

11. Opportunities and Challenges for Indian Businesses

A changing global order creates openings for Indian companies, but it also introduces new risks. Businesses that understand global standards, diversify markets and invest in productivity may benefit from shifting supply chains. Those that rely on a narrow set of customers, imported inputs or volatile shipping routes may face higher uncertainty.

Opportunities

- Export diversification: Indian firms can explore markets across Africa, the Middle East, Europe, ASEAN and Latin America, while tailoring products to local regulations and consumer needs.
- Supplier development: Manufacturers can become vendors to global corporations, infrastructure projects and public-sector buyers by meeting quality, delivery and compliance requirements.
- Strategic sectors: Electronics, pharmaceuticals, defence components, renewable energy, food processing, critical-mineral processing and industrial machinery offer scope for capability building.
- Digital services: Technology, finance, consulting, education and professional services can expand through cross-border delivery and partnerships.
- Investment partnerships: Joint ventures and technology collaboration can help domestic firms access capital, know-how, intellectual property and new markets.

Challenges

- Infrastructure and logistics: Transport costs, port efficiency, warehousing and reliable power affect export competitiveness.
- Skills and productivity: Industrial growth requires technicians, engineers, managers and workers trained for modern production.
- Standards and compliance: Different markets impose requirements relating to product safety, data, environment, labour and traceability.
- Financing: MSMEs may struggle to fund technology upgrades, certification, inventory and longer export payment cycles.
- Geopolitical uncertainty: Tariffs, sanctions, shipping disruptions and sudden regulatory changes can affect business plans.

12. The Role of Finance and Professional Institutions

The new world economy creates an expanded role for finance professionals. Businesses entering international markets need accurate costing, foreign-exchange risk assessment, transfer-pricing compliance, tax planning, internal controls, project evaluation and cash-flow management.

Chartered Accountants, Cost Accountants and other finance professionals can help enterprises evaluate export profitability, assess country and counterparty risks, structure investments, understand customs and indirect-tax implications, and prepare for international reporting requirements.

Cost management is especially important when companies diversify suppliers or relocate production. A lower quoted purchase price may be offset by freight, insurance, tariffs, inventory carrying costs, quality failures or currency movements. Total landed cost and supply-chain risk should guide sourcing decisions.

Professional bodies, chambers of commerce and industry associations can support businesses through market intelligence, training, international delegations, buyer-seller meetings and guidance on regulatory requirements.

13. What the Next Decade May Look Like

The next decade is likely to be defined by a more diversified but interconnected global economy. Several trends deserve close attention:

1. More distributed economic influence: The United States, China, Europe, India and other regional powers will continue to shape different parts of the system.

2. Selective globalisation: Trade will remain important, but strategic sectors will face greater scrutiny and supplier diversification.

3. Technology competition: AI, semiconductors, cloud infrastructure, cyber capabilities and advanced manufacturing will influence productivity and national security.

4. Energy transition: Clean-energy investment and critical minerals will reshape industrial policy and resource partnerships.

5. Financial diversification: More local-currency settlement and alternative payment channels may emerge, while the dollar is likely to remain central in the near term.

6. Institutional reform: Pressure will continue for multilateral institutions to reflect contemporary economic realities and the priorities of developing countries.

7. Demographic change: Countries with skilled and productive workforces will be better positioned to attract investment and sustain growth.

14. Building a More Balanced and Resilient Global Economy

A multipolar world can create more opportunities for cooperation, but it can also increase the risk of rivalry and fragmentation. The objective should not be to replace one dominant centre with several competing centres that erect barriers against one another. A stronger global economy requires open channels of trade, reliable institutions, responsible investment and practical cooperation.

Countries should invest in education, infrastructure, innovation and institutional quality. Businesses should diversify sensibly, maintain transparent supply chains and prepare for regulatory change. International institutions should improve representation, respond more quickly to emerging risks and support countries facing debt, climate and development pressures.

For emerging economies, the most important task is to convert geopolitical attention into productive capacity. Access to markets and investment matters, but long-term prosperity depends on domestic skills, competitive enterprises, strong institutions and the ability to create value locally.

Conclusion: Power Is No Longer Defined by One Centre

The new world economic order is not a finished arrangement. It is an evolving system shaped by economic growth, technological innovation, demographic change, energy security, financial networks and strategic competition. The United States remains highly influential, China has become indispensable to global production and trade, Europe retains major market and regulatory power, and India and other emerging economies are gaining greater voice.

The most consequential shift is the widening range of countries that can influence global outcomes.

For India, this moment offers a significant opportunity—but not an automatic guarantee of success. The country must strengthen manufacturing, expand exports, improve infrastructure, develop skills, deepen innovation and build competitive enterprises. Indian businesses, including MSMEs, must prepare to operate in a world where quality, resilience, compliance and strategic partnerships matter as much as cost.

The future will belong to nations that can combine economic strength with adaptability, innovation and trusted international relationships. In this emerging order, influence will not be measured only by the size of an economy, but by its ability to create value, solve shared problems and contribute to a stable and prosperous global system.



CMA Gaurang Dixit

Former CMD NSIC

Global Investment Trends

Where Is The World's Capital Moving?

Emerging Markets, Artificial Intelligence, Infrastructure and the Future of International Investment



Global investment is entering a new phase. Capital is flowing towards technology, artificial intelligence, energy transition, advanced manufacturing and strategic infrastructure, while geopolitical uncertainty, trade restrictions and higher financing costs are changing the way investors choose markets. The central question is no longer simply where returns are highest, but where capital can find scale, resilience, predictable rules and long-term opportunity.

1. Artificial Intelligence Is Reshaping Investment Priorities

Artificial intelligence has moved from a technology theme to a major destination for global capital. Investors are funding data centres, cloud infrastructure, semiconductor capacity, advanced networking, cybersecurity, power systems and specialist software. These investments are connected: a data centre requires land, electricity, cooling, fibre connectivity, chips, construction services and long-term operating capability.

The scale of investment is changing the geography of digital infrastructure. UNCTAD's World Investment Report 2026 found that announced greenfield investment in five strategic sectors—including AI infrastructure, semiconductors, energy-transition technologies, critical minerals and other advanced technologies—rose from US$109 billion in 2020 to US$576 billion in 2025. AI infrastructure was the largest component.

This creates opportunities for countries with reliable electricity, digital connectivity, skilled engineers, predictable regulation and access to large markets. It also creates challenges. Data centres consume significant amounts of power and water, and their benefits may be limited if local economies do not develop domestic suppliers, technical skills and research ecosystems.

The Semiconductor Race

Semiconductors are essential to smartphones, vehicles, industrial equipment, medical devices, defence systems and AI computing. Their production depends on complex international networks involving chip design, fabrication, specialised machinery, materials, packaging and testing. A disruption in one part of the chain can affect industries across the world.

Governments are using incentives, research funding and industrial policy to attract semiconductor investment. However, a fabrication plant alone does not create a complete ecosystem. Skills, supplier development, reliable power, water, logistics, intellectual property protection and long-term customer demand are all essential.

Investment Beyond the Technology Giants

The AI investment cycle can benefit smaller economies and businesses if they participate in supporting activities: electrical equipment, cooling systems, construction, data security, software services, precision components, renewable power and maintenance. Local companies can capture value even when the most advanced chips or cloud platforms are produced elsewhere.

Investors should also distinguish between durable infrastructure demand and speculative expectations. Projects must be assessed for utilisation, energy costs, customer contracts, financing structure, technology obsolescence and realistic cash flows.

2. Energy Transition and the New Infrastructure Economy

The transition towards lower-carbon energy is creating investment demand across renewable generation, electricity grids, storage, electric mobility, hydrogen, energy efficiency and critical-mineral processing. Capital is moving not only into power plants but also into the infrastructure that connects, stores and manages electricity.

Solar and wind projects require transmission networks, land, storage and stable regulatory frameworks. Electric-vehicle production depends on batteries, charging systems, minerals, software and recycling. Countries that build integrated industrial ecosystems may capture more value than those that focus on a single project.

Energy security has become a central investment consideration. Manufacturers need dependable and affordable electricity. Data centres require uninterrupted power. Countries that can combine reliable supply with cleaner generation may attract energy-intensive industries.

Critical Minerals and Resource Investment

Lithium, copper, nickel, cobalt, graphite and rare earth elements are important inputs for batteries, electronics, power systems and advanced manufacturing. Resource-rich countries have an opportunity to attract exploration, processing and downstream manufacturing investment.

The challenge is to avoid remaining only a supplier of raw materials. Transparent licensing, environmental safeguards, local workforce development, infrastructure and predictable fiscal rules can help resource economies move into higher-value activities.

3. Global Investment Flows: The 2026 Picture

UNCTAD's World Investment Report 2026 described a fragile and uneven recovery in global FDI. The top 20 host economies attracted more than 80% of global inflows in 2025. This concentration matters because it shows that investment is not distributed evenly across the world. Economies with established infrastructure, deep markets and strong investor networks continue to enjoy advantages.

The report placed the United States as the largest FDI destination in 2025, with inflows of about US$277 billion. Developing Asia remained the largest developing recipient region. India's FDI inflows rose 44% to approximately US$39 billion, highlighting its growing position in international investment flows.

More recent preliminary UNCTAD monitoring for the first half of 2026 showed a rise in global FDI values compared with the average half-year level in 2025. However, announced greenfield projects and cross-border deal numbers weakened. This reinforces the distinction between capital values and actual new productive activity.

Why Investors Choose Particular Countries

Investors compare markets using a combination of commercial and strategic factors. A large consumer base can justify local production. Skilled workers can support advanced services and manufacturing. Strong ports and roads reduce delivery time. Stable regulation lowers uncertainty. Trade agreements can improve access to customers in other markets.

Other factors include tax treatment, currency convertibility, access to finance, contract enforcement, political stability, availability of industrial land, energy costs, local supplier capability and the ease of repatriating profits. No single factor determines the decision; investors evaluate the complete operating environment.

Developed Markets and Emerging Markets

Developed economies attract capital through deep financial markets, established institutions, advanced technology ecosystems and predictable legal frameworks. They also have the fiscal capacity to offer incentives for strategic industries. This can make it difficult for lower-income countries to compete for large technology and manufacturing projects.

Emerging markets offer different advantages: faster demand growth, young populations, natural resources, competitive production costs and expanding infrastructure. However, they may face higher borrowing costs, currency volatility, policy uncertainty and gaps in logistics or skills.

The most successful emerging markets are those that convert their advantages into reliable operating conditions. Investors may tolerate some cost disadvantages when they see a growing market, capable suppliers and a credible long-term policy framework.

4. The Rise of Strategic and State-Backed Investment

Governments are increasingly active investors and market shapers. Sovereign wealth funds, development banks, state-owned enterprises and public investment institutions are financing infrastructure, technology, energy and strategic industries. Their

6. India: A Major Destination in the New Investment Landscape

India's investment proposition combines a large domestic market, a young workforce, expanding infrastructure, digital capabilities, a strong services sector and a growing industrial base. Its position across the Indo-Pacific and relationships with major economies provide access to multiple trade and investment networks.

UNCTAD reported that India's FDI inflows rose 44% to approximately US$39 billion in 2025. This is an important signal, but sustaining the momentum will require more than headline announcements. Investors look for projects that can be executed on schedule, supplied competitively and operated under predictable rules.

Manufacturing, Electronics and Industrial Supply Chains

India has opportunities in electronics, automotive components, pharmaceuticals, chemicals, industrial machinery, defence production, renewable-energy equipment and food processing. The opportunity is not simply to attract assembly plants; it is to develop domestic component suppliers, engineering capabilities, testing facilities and research partnerships.

Manufacturing investment creates stronger spillovers when domestic companies participate in supply chains. This requires reliable quality, cost competitiveness, skilled technicians, timely delivery, access to working capital and compliance with international standards.

Infrastructure and Logistics

Roads, railways, ports, airports, industrial corridors, warehouses and power networks are essential to investment competitiveness. Efficient logistics reduce inventory costs and help companies meet delivery schedules. Digital infrastructure also matters, from broadband and data centres to interoperable payment and customs systems.

Infrastructure projects need robust appraisal. Demand forecasts, land acquisition, environmental approvals, financing costs, construction risk and long-term maintenance should be evaluated before capital is committed. A completed asset must provide measurable economic value, not merely add to the project pipeline.

Services, Finance and Digital Investment

India's services ecosystem is an established source of international competitiveness. IT services, business-process management, financial services, engineering design, consulting, education and professional services connect Indian firms with global customers.

The next phase may involve higher-value work in AI implementation, cybersecurity, analytics, fintech, research services and specialised engineering. Investment in skills, data protection, intellectual property and international compliance will help Indian firms move up the value chain.

What Can Improve India's Investment Attractiveness?

- Reduce logistics costs and improve the reliability of transport and power infrastructure.
- Strengthen contract enforcement, regulatory predictability and transparent approvals.
- Expand technical education, apprenticeships and industry-linked skill development.
- Improve access to long-term finance for infrastructure and manufacturing.
- Support research, design, innovation and domestic supplier development.
- Help MSMEs meet quality, certification, digital and sustainability requirements.

7. The Role of Indian MSMEs in Global Investment

Large investments often depend on a broad network of smaller suppliers. MSMEs can provide components, packaging, fabrication, logistics, maintenance, software, testing and specialised services. When local suppliers become part of multinational value chains, investment can create a wider economic impact.

However, smaller businesses may struggle to finance machinery, certification, inventory and longer payment cycles. They may also lack information about international standards or procurement systems. Supplier-development programmes, shared testing facilities, cluster infrastructure and receivables financing can help close these gaps.

A country's investment success should therefore be measured not only by the amount of foreign capital received, but also by the number of domestic enterprises that gain contracts, technology, skills and access to new markets.

8. Investment Opportunities Across Key Regions

United States: Technology, Energy and Advanced Industry

The United States remains a major destination for investment in technology, AI infrastructure, semiconductors, clean energy, healthcare and advanced manufacturing. Its capital markets, research universities, venture ecosystem and consumer demand are powerful attractions. Investors must also assess policy changes, labour costs, regulatory approvals and geopolitical restrictions.

Europe: Green Industry and Strategic Manufacturing



Europe offers opportunities in clean technology, industrial automation, pharmaceuticals, aerospace, advanced engineering and infrastructure. Its regulatory standards influence global markets, creating both compliance obligations and opportunities for companies able to deliver high-quality, sustainable products. Energy costs and fragmented capital markets remain important considerations.

Middle East: Diversification and Global Capital

Gulf economies are investing to diversify beyond oil and gas. Infrastructure, logistics, tourism, finance, renewable energy, data centres and industrial development are important areas. Sovereign wealth funds and regional investors are also active internationally. Investors should assess project execution, local partnerships, regulatory requirements and exposure to regional geopolitical risk.

Southeast Asia: Manufacturing and Regional Supply Chains

Vietnam, Indonesia, Malaysia, Thailand and Singapore occupy different positions in regional production and finance networks. Electronics, automotive components, batteries, logistics, digital services and consumer markets offer investment opportunities. Regional integration and access to global shipping routes support the region's attractiveness.

Africa: Demographics, Resources and Infrastructure

Africa offers long-term opportunities in energy, mining, agriculture, telecom, financial inclusion, transport and consumer markets. Its young population and urbanisation create demand, but investment outcomes depend on infrastructure, currency stability, regulatory clarity, local skills and the ability to manage country-specific risks.

Latin America: Food, Minerals and Clean Energy

Brazil, Chile, Argentina, Mexico and other economies have opportunities in agriculture, critical minerals, renewable energy, manufacturing and near-shoring. The region's resource base is strategically important, but investors need to consider political cycles, logistics, commodity volatility and local regulatory conditions.

9. Sustainable Investment: From ESG Commitments to Measurable Impact

Sustainability is increasingly relevant to investment decisions because climate risks, energy costs, resource scarcity and supply-chain transparency affect long-term returns. Investors are assessing emissions, water use, labour practices, governance, biodiversity and the resilience of physical assets.

The quality of sustainability information matters. Companies should avoid unsupported claims and develop credible measurement, reporting and assurance processes. For investors, green labels are not a substitute for due diligence on technology, project economics and environmental impact.

Developing countries need access to affordable finance and technology to build cleaner infrastructure. Blended finance—combining public, concessional and private capital—can support Developing countries need access to affordable finance and technology to build cleaner infrastructure. Blended finance—combining public, concessional and private capital—can support projects that deliver public benefits but may not initially attract sufficient commercial funding.

10. Risks That Investors Must Navigate

Global investment offers opportunities, but returns can be affected by a range of risks. Investors should evaluate these risks before committing capital and monitor them throughout the life of a project.

Geopolitical and Trade Policy Risk

Tariffs, sanctions, export controls, investment screening and changing trade agreements can alter project economics. Businesses with concentrated suppliers or customers may be particularly exposed. Scenario planning and alternative sourcing can reduce vulnerability.

Currency and Interest-Rate Risk

A project may earn revenue in one currency while borrowing or purchasing inputs in another. Exchange-rate movements can reduce margins and increase debt-servicing costs. Interest-rate changes can also affect valuations, refinancing and the affordability of long-term infrastructure.

Regulatory and Tax Risk



Investors need clarity on licensing, taxation, labour rules, environmental standards, data governance and repatriation of earnings. Sudden or inconsistent policy changes can undermine confidence. At the same time, responsible regulation protects public interests and supports fair competition.

Execution and Counterparty Risk

Land, construction, procurement, technology integration and project approvals can cause delays. Contractors may fail, customers may not honour commitments, and projected demand may not materialise. Independent technical, legal, financial and commercial due diligence is essential.

Climate and Physical Risk

Floods, heatwaves, water stress, storms and other climate-related events can disrupt factories, ports, energy systems and supply chains. Investors should assess location-specific exposure, insurance availability, adaptation requirements and business-continuity plans.

11. The Role of Finance Professionals in International Investment

Cross-border investment requires disciplined financial analysis and strong governance. Chartered Accountants, Cost Accountants, investment analysts and other finance professionals play a critical role in evaluating whether a project is commercially viable, financially sustainable and compliant with relevant laws.
Their contribution includes:

- Financial modelling: forecasting revenue, operating costs, capital expenditure, cash flows and returns under multiple scenarios.
- Due diligence: reviewing financial statements, tax exposures, liabilities, contracts, internal controls and contingent risks.
- Valuation: assessing businesses, assets, intellectual property and acquisition opportunities using appropriate methods.
- Cost management: analysing landed costs, production economics, supplier pricing, logistics and operational efficiency.
- Tax and transfer pricing: evaluating cross-border tax obligations, related-party transactions and documentation.
- Risk management: assessing currency, interest-rate, credit, liquidity, project and country risks.
- Governance and reporting: strengthening transparency, audit readiness, compliance and investor confidence.

A sound investment decision must look beyond projected profit. It should test whether cash flows are realistic, financing is sustainable, risks are properly allocated and the project can withstand adverse scenarios.

12. A Practical Checklist for Businesses Seeking Foreign Investment

- Define the business objective: capital for expansion, technology, market access or a strategic partnership.
- Prepare audited financial statements, credible projections and a clear business plan.
- Identify suitable investors whose sector expertise and time horizon match the company.
- Complete legal, tax, regulatory, intellectual-property and operational due diligence.
- Understand valuation, dilution, governance rights, exit terms and reporting obligations.
- Assess foreign-exchange exposure and the rules governing cross-border capital flows.
- Develop a realistic plan for local jobs, supplier development, technology and market growth.

13. What the Next Investment Cycle May Look Like

The next phase of global investment is likely to be shaped by a combination of technology demand, strategic competition, energy transition, infrastructure needs and demographic change. Capital may continue to flow towards AI-related infrastructure and semiconductors, but the durability of these investments will depend on commercial returns, electricity availability and actual demand for computing.

Manufacturing investment may become more selective. Companies will continue to balance cost efficiency with resilience, market access and policy risk. Some production may move closer to consumers, while other supply chains remain concentrated where specialist skills and supplier ecosystems are strongest.

Infrastructure investment will remain important, especially in power, transport, water, digital networks and urban systems. Yet high borrowing costs and public debt constraints may limit the ability of governments to finance projects alone. Mobilising private capital will require bankable projects, credible regulation and transparent procurement.

Emerging markets will compete for investment by improving fundamentals rather than relying only on tax incentives. Skills, logistics, legal certainty, energy reliability and domestic supplier networks can provide more durable advantages than temporary subsidies.

14. How Countries Can Attract Better-Quality Investment

Attracting capital is only the first step. Governments should seek investment that creates productive capacity, decent employment, technology transfer, export capability and stronger domestic enterprises. This requires a coordinated strategy.

- Build infrastructure before bottlenecks become a barrier to growth.
- Maintain stable, transparent and predictable rules for investors.
- Invest in education, vocational training and advanced technical skills.
- Develop industrial clusters and supplier networks around priority sectors.
- Strengthen financial markets and access to long-term project finance.
- Use incentives transparently and link them to measurable public benefits.
- Promote competition while protecting national security and legitimate public interests.
- Measure investment outcomes through jobs, productivity, exports and domestic value addition.

Conclusion: Capital Follows Confidence, Capability and Opportunity

Global investment is not simply moving from one country to another. It is being reorganised around new priorities. Artificial intelligence, semiconductors, clean energy, critical minerals, infrastructure and advanced manufacturing are attracting growing attention. At the same time, traditional industries and many developing economies face a more difficult environment in which to compete for capital.



For India, the opportunity is substantial. The country can strengthen its position as a destination for manufacturing, technology, infrastructure and services investment. But long-term success will depend on improving logistics, skills, regulation, innovation, financing and the competitiveness of domestic suppliers. MSMEs must be included in this growth story so that foreign investment creates broader industrial capability.

For investors, the new landscape demands deeper analysis. Financial returns must be assessed alongside geopolitical exposure, currency risk, sustainability, regulatory certainty and supply-chain



CMA R. C. Gupta

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The Future Of Artificial Intelligence

How AI Will Transform The Global Economy

The Race for AI Supremacy, Global Investment, Jobs, Productivity and the New Digital Industrial Revolution



Artificial intelligence is moving from laboratories and technology companies into the core of the global economy. It is influencing how businesses design products, deliver services, manage money, manufacture goods and make decisions. The next phase will not be defined only by smarter software, but by the countries and companies able to combine computing power, data, energy, skills and responsible governance to turn AI into lasting economic value.

A New Engine of Economic Change

Earlier industrial revolutions were driven by steam power, electricity, mass production and the internet. Artificial intelligence may become a similarly broad enabling technology. Unlike a machine designed for one task, modern AI systems can assist with language, analysis, pattern recognition, prediction, software development, design and decision support across many industries.

The economic impact will depend on adoption, not just invention. A powerful model does not automatically increase productivity. Businesses must redesign workflows, integrate reliable data, train employees, protect sensitive information and measure whether AI improves quality, speed or cost. Countries also need affordable computing infrastructure, dependable electricity, research institutions and a workforce able to use the technology.

The Stanford Institute for Human-Centered AI's 2026 AI Index reports that global corporate AI investment reached approximately US$581.69 billion in 2025, up 129.9% from 2024. This total includes private investment, mergers and acquisitions, minority-

The Stanford Institute for Human-Centered AI's 2026 AI Index reports that global corporate AI investment reached approximately US$581.69 billion in 2025, up 129.9% from 2024. This total includes private investment, mergers and acquisitions, minority- stake investments and public offerings. The scale of funding shows how quickly AI has become a strategic economic priority.

AI Is More Than a Technology Story

AI is now an economic, industrial and geopolitical issue. Nations are competing to develop advanced models, secure semiconductor supplies, build data centres, attract research talent and set rules for safe deployment. Businesses are competing to use AI to improve productivity and create new products. Workers and professionals are adapting to changing tasks and expectations.

The central question is not whether AI will affect the economy. It is how quickly its benefits will spread, who will capture the value, and whether institutions can manage the risks.

1. The Global AI Race: United States, China and the

Rest of the World

The United States remains a leading centre of private AI investment, frontier-model development, cloud computing and venture capital. Its advantages include major technology firms, deep capital markets, research universities, semiconductor design capabilities and a large ecosystem of start-ups. The Stanford AI Index 2026 estimates that US private AI investment in 2025 was many times larger than that of China or Europe.

China is a major competitor with strengths in manufacturing, engineering talent, applied research, digital platforms and large-scale deployment. Its AI ecosystem is supported by a combination of private companies, universities, industrial policy and state-backed investment. Comparing countries only through private funding can understate public-sector support and the different structures of national investment.

Europe has important research institutions, industrial capabilities and regulatory influence. Its challenge is to convert scientific strength and market scale into more globally competitive AI

companies, infrastructure and investment. Other economies—including Japan, South Korea, Singapore, the United Arab Emirates and India—are developing specialised strengths and national strategies.

A Race Across the Entire AI Stack

AI leadership depends on more than the model itself. It requires chips, memory, high-speed networks, cloud platforms, data centres, software tools, energy, cooling systems, data and skilled people. Countries that control several layers may enjoy stronger strategic influence. Those that rely on external providers may face cost, access or security constraints.

The OECD's Digital Economy and Society Outlook 2026 describes AI computing capacity as a strategic asset. It highlights the importance of specialised chips, data centres, cloud access, energy, water, networks and skills. This makes AI infrastructure a major economic and policy issue.

2. The Data-Centre Boom and the Economics of Computing

The growth of generative AI has increased demand for computing infrastructure. Data centres house the servers and specialised accelerators that train and operate AI systems. They also require power distribution, cooling, water management, fibre connectivity, security and skilled operations teams.

This investment creates opportunities for construction, electrical equipment, cooling technology, renewable energy, grid infrastructure, cybersecurity and engineering services. It also creates constraints. Electricity grids may not be ready for large new loads, water resources may be limited, and the cost of advanced chips can make computing expensive.

The OECD notes that AI-ready data centres require much higher power density than traditional facilities. Their economics depend on the cost and availability of compute, energy, networks and suitable sites. A project announcement should therefore not be confused with a completed, commercially viable facility.

Who Can Benefit from the Infrastructure Cycle?

The benefits can extend beyond major technology companies. Manufacturers can supply cables, switchgear, cooling equipment, racks and precision components. Engineering firms can design and maintain facilities. Utilities can invest in grid capacity. Smaller technology businesses can develop software, monitoring, security and energy-efficiency solutions.

The long-term test will be utilisation and productivity. Investors must ask whether computing capacity will be used efficiently, whether customers will pay enough to cover capital and operating costs, and whether technology changes could make equipment obsolete sooner than expected

3. AI and the Transformation of Manufacturing



Manufacturing is one of the sectors where AI can connect digital intelligence with physical production. Machine-vision systems can inspect products; predictive maintenance can identify equipment problems before breakdowns; AI-supported planning can improve inventory and scheduling; and digital twins can help engineers test production changes virtually.

In a factory, even small improvements can have a meaningful financial impact. Reducing machine downtime, material wastage, energy use or product rejection can improve margins. AI can also help manufacturers forecast demand, plan procurement and identify bottlenecks across multiple production lines.

Smart Factories and Industry 4.0

A smart factory combines connected machines, sensors, automation, industrial software and analytics. AI adds the ability to identify patterns and support decisions. However, successful implementation requires reliable data, secure networks, machine compatibility, employee training and clear responsibility for operational decisions.

Manufacturers should begin with a specific problem rather than buying technology for its own sake. A pilot project could focus on visual quality inspection, maintenance forecasting, energy optimisation or production scheduling. Results should be measured against a baseline before the system is expanded.

4. AI Opportunities for MSMEs

Small and medium enterprises may not have the budgets of large corporations, but accessible AI tools can help them improve marketing, customer service, accounting workflows, translation,

document processing, inventory forecasting and business analysis.

A small exporter can use AI to research potential markets, prepare product descriptions, translate customer communications and organise documentation. A manufacturer may use analytics to understand rejection patterns or estimate material requirements. A professional firm can automate repetitive document review while retaining human oversight.

The main barriers are digital readiness, data quality, cost, skills, cybersecurity and trust. MSMEs need practical training and affordable access to secure tools. Industry associations, chambers of commerce, technical institutions and professional bodies can support adoption through demonstrations, workshops and shared services.

A Practical AI Adoption Roadmap for MSMEs



- Identify one repetitive or costly business process that could benefit from AI.
- Check whether the business has accurate, permissioned and well-organised data.
- Choose a tool that fits the task, budget and confidentiality requirements.
- Run a limited pilot and compare time, cost, accuracy and customer outcomes.
- Keep human review for financial, legal, safety and customer-impacting decisions.
- Train employees and document how the tool should be used.
- Expand only when measurable benefits outweigh costs and risks.

5. AI in Banking, Finance and Insurance

Financial institutions are using AI in areas such as fraud detection, transaction monitoring, customer support, credit assessment, document processing, compliance surveillance and risk analysis. AI can process large volumes of information quickly and identify unusual patterns that may be difficult to detect manually.

In banking, AI assistants can help customers find information and complete routine tasks. In insurance, systems can support claims triage, document review and risk assessment. In capital markets, machine learning can assist with research, surveillance and operational processes.

These applications require careful governance. Financial decisions affect people's access to credit, insurance and essential services. Models must be tested for accuracy, bias, explainability, privacy and resilience. Institutions remain responsible for decisions made with AI assistance.

6. AI and the Future of Professional Services

Accounting, cost management, audit, taxation, consulting and legal services are likely to be reshaped by AI. Tools can extract information from invoices, classify transactions, compare documents, summarise regulations, identify anomalies and assist with financial analysis. This can reduce time spent on routine work and allow professionals to focus more on judgement, interpretation and advice.

What Changes for Chartered Accountants and Cost Accountants?

For Chartered Accountants, AI may support audit planning, document review, reconciliation, tax research, financial reporting and risk assessment. For Cost Accountants, it can help analyse production data, allocate overheads, monitor material consumption, identify cost variances and support cost-reduction programmes.

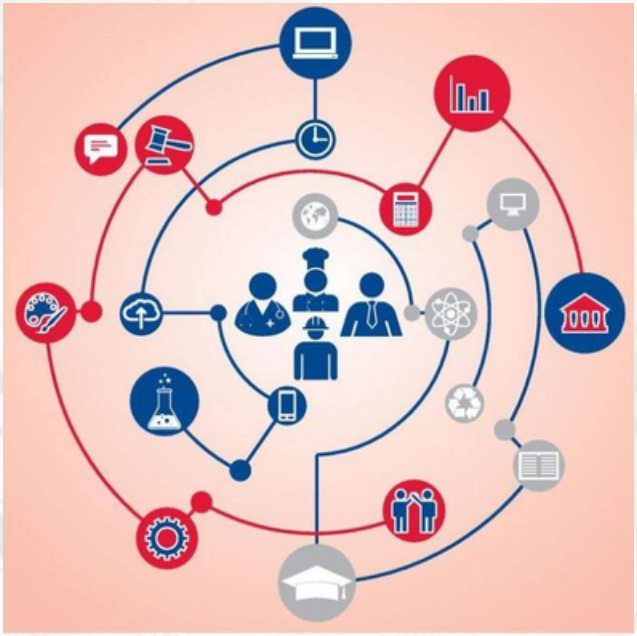
AI can also improve budgeting and forecasting by processing larger datasets and testing different scenarios. However, outputs must be checked against accounting standards, tax law, audit evidence and the underlying business facts. An AI-generated explanation is not a substitute for professional judgement.

The Professional of the Future

The value of a finance professional will increasingly depend on the ability to combine domain knowledge with data literacy, technology awareness, communication and ethical judgement. Professionals who understand both business processes and AI limitations can help organisations adopt tools responsibly.

Professional bodies and educational institutions should strengthen training in analytics, automation, cybersecurity, data governance and AI-assisted workflows. Continuing professional development will be essential as tools and regulations evolve.

7. Jobs, Skills and the Changing Labour Market



AI is expected to change tasks across occupations, but its effect will not be uniform. Some activities may be automated, some jobs may be redesigned and new roles may emerge. The immediate impact may be more visible in hiring patterns, entry-level work and task allocation than in headline employment totals.

The Stanford AI Index 2026 reports that AI-related labour-market effects are uneven and that some early-career roles in exposed occupations have experienced pressure. It also reports that a portion of surveyed organisations expect workforce reductions in selected functions. These findings should not be interpreted as proof that AI will eliminate all jobs in those fields.

Routine, predictable tasks are more exposed to automation. Work involving complex judgement, accountability, human relationships, physical adaptability and domain expertise may change differently. Most occupations contain a mixture of tasks, meaning AI may transform jobs rather than simply remove them.

Reskilling Is an Economic Priority

Workers will need opportunities to learn how to use AI tools, evaluate outputs, protect data and work alongside automated systems. Employers should invest in training before and during deployment. Education systems should emphasise critical thinking, communication, quantitative reasoning, creativity and practical problem-solving.

For young professionals, the objective should be to develop strong fundamentals and learn to use AI as a productivity tool—not to depend on it as a substitute for understanding. Human accountability, professional ethics and the ability to verify information will remain essential.

8. India's AI Opportunity

India has several advantages that can support AI adoption: a large technology workforce, strong IT services capabilities, a growing start-up ecosystem, digital public infrastructure, a large domestic market and a wide range of economic sectors where productivity can improve. AI can support healthcare, agriculture, education, financial inclusion, logistics, manufacturing and public service delivery.

India's opportunity is not limited to developing frontier models. It can build applications for local languages, public services, small businesses and industry-specific needs. It can also provide AI engineering, integration, testing, cybersecurity, data services and professional support to global customers.

Building Domestic AI Capability

A competitive AI ecosystem requires access to compute, quality data, research talent, reliable energy, investment and a strong market for applications. India must balance investment in domestic capability with access to international technologies and collaboration. No single country can efficiently build every component of the AI stack independently.

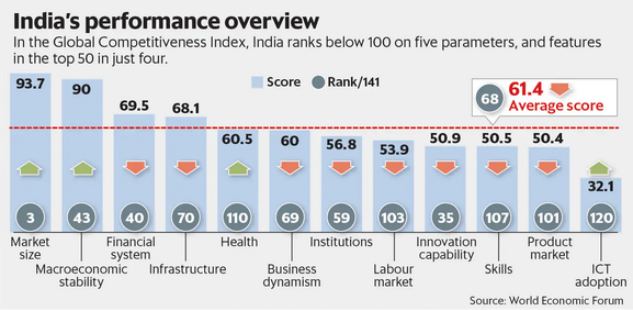
The IndiaAI Mission and related public initiatives seek to strengthen compute access, innovation, datasets, skills and responsible AI development. Their long-term impact will depend on execution, transparent governance, broad access and the ability to connect research with commercial and public-sector applications.

AI for Indian MSMEs and Industry

AI can help Indian MSMEs improve customer acquisition, export research, inventory planning, quality inspection, procurement and financial administration. In manufacturing clusters, shared digital services and common training facilities may reduce adoption costs.

Large companies and PSUs can also help build supplier capability by encouraging digital documentation, quality traceability and process improvement among vendors. This can make supply chains more productive and help smaller enterprises meet institutional standards.

India's Global Competitiveness



To become a trusted global AI partner, India must strengthen data protection, cybersecurity, research quality, intellectual-property frameworks, digital infrastructure and specialised skills. It must also ensure that AI systems work effectively across Indian languages and diverse social and economic conditions.

The country can contribute to a more inclusive AI economy by developing affordable solutions for healthcare, education, agriculture and public services. The most valuable innovations may not always be the largest models; they may be practical tools that solve important problems at scale.

9. Risks, Regulation and Responsible AI

AI creates risks alongside its benefits. Systems can produce inaccurate information, reflect bias in training data, expose confidential information or be manipulated through malicious inputs. Deepfakes and synthetic media can undermine trust. Automated systems can also make errors at a scale and speed that exceed traditional manual processes.

Organisations should establish policies covering data access, model selection, human review, record keeping, cybersecurity, incident reporting and accountability. High-impact uses—such as hiring, lending, healthcare, insurance and public services—require stronger safeguards and careful testing.

Regulation should protect people and public interests without unnecessarily blocking beneficial innovation. Governments face the challenge of balancing safety, competition, privacy, national security and access to technology. International coordination can help reduce fragmentation and support common principles.

10. The Energy and Environmental Cost of AI

AI depends on physical infrastructure. Data centres require electricity, cooling, water, land, networks and hardware. As AI use grows, energy demand and the environmental footprint of computing are receiving greater attention.

The International Energy Agency has warned that data-centre electricity demand is set to rise substantially over the second half of this decade. The precise impact will depend on efficiency improvements, the pace of AI adoption, hardware design, location and the energy mix used to supply facilities.

AI can also help reduce emissions by improving grid management, industrial efficiency, building controls, transport routing and climate modelling. The net effect will depend on whether efficiency gains outweigh additional resource consumption.

Efficiency Must Be Designed In

Developers and operators can reduce resource use through more efficient chips, model compression, better cooling, renewable electricity procurement, workload scheduling and improved data-centre design. Businesses should consider the environmental cost of AI services when selecting providers and designing applications.

11. AI and Global Economic Inequality

Countries with advanced computing infrastructure, capital and research ecosystems may capture a disproportionate share of AI-related value. Economies with limited access to compute, data, skills or finance risk becoming technology consumers rather than creators. This could widen productivity and income gaps.

Access to affordable computing, open research, local-language tools, education and international collaboration can help broaden participation. Developing countries also need the ability to adapt AI systems to local priorities and legal frameworks.
Within countries, benefits may also be uneven. Large firms can invest in infrastructure and specialist talent more easily than small businesses. Workers with digital skills may gain new opportunities while others face disruption. Public policy and employer investment will influence how widely productivity gains are shared.

12. A Business Framework for Responsible AI Adoption

Before deploying AI, organisations should assess the business case and the consequences of failure. A useful framework includes:

- Purpose: Define the business problem and the expected measurable benefit.
- Data: Confirm that data is accurate, lawful to use, secure and relevant.
- Risk: Identify financial, legal, operational, privacy and reputational risks.
- Human oversight: Decide which outputs require review and who is accountable.
- Testing: Evaluate accuracy, bias, reliability and performance under real conditions.
- Security: Protect systems against unauthorised access, data leakage and misuse.
- Monitoring: Track errors, costs, user feedback and model changes over time.
- Governance: Maintain policies, documentation, training and escalation procedures.

13. What Businesses Should Do Now

Businesses do not need to automate everything at once. They should identify a small number of high-value use cases, test them carefully and scale what works. Management should communicate openly with employees, provide training and redesign roles where appropriate.

Boards and senior leaders should treat AI as a strategic capability, not simply an IT purchase. They should understand where AI is used, what data it processes, how suppliers manage risk and whether the organisation can explain important automated decisions.

14. The Next Decade: What Could Change?

Over the next decade, AI may become embedded in everyday business software, industrial equipment, financial services, healthcare systems, logistics networks and public administration. The distinction between digital and physical industries may become less clear as AI systems interact with machines, sensors and connected infrastructure.

AI agents—systems designed to complete multi-step tasks—may automate more complex workflows. Their commercial value will depend on reliability, permissions, integration with enterprise systems and the ability to handle exceptions. In many settings, human approval will remain necessary.

The economics of AI will also evolve. Model costs may fall for some tasks, while demand for high-performance computing may continue to rise. Competition may shift towards specialised models, proprietary data, distribution, trusted applications and efficient inference. Companies that can deliver measurable outcomes at sustainable cost will be better positioned than those relying only on publicity.

Five Trends to Watch

- AI infrastructure becomes strategic: compute, chips, data centres, electricity and networks will shape national competitiveness.
- Industry adoption deepens: AI moves from pilots into production, quality control, logistics and enterprise operations.
- Work changes unevenly: tasks and job profiles evolve, increasing the need for reskilling and human oversight.
- Regulation and trust become competitive factors: privacy, security, transparency and accountability influence adoption.
- AI access broadens: smaller firms and emerging economies seek affordable compute, tools and practical applications.

Conclusion: Turning Intelligence into Economic Value

Artificial intelligence has the potential to become one of the defining technologies of the global economy. It is attracting record investment, changing the structure of competition and creating new opportunities across manufacturing, finance, healthcare, education, logistics and professional services.

But investment alone does not guarantee productivity. The real gains will come when organisations redesign processes, train people, use reliable data, manage risks and measure outcomes. Countries that combine research, infrastructure, skills, energy and sound governance will be better placed to capture the benefits.

For India, AI offers an opportunity to strengthen manufacturing, improve public services, expand technology exports and help MSMEs become more competitive. The challenge is to build domestic capability while remaining connected to global innovation and ensuring that the benefits are widely shared.

For CA, CMA and other professionals, AI will change the way work is performed, but it will also increase the importance of judgement, ethics, verification,

governance and strategic advice. The future professional will need to understand both the technology and the business consequences of its use.

The future of AI will not be determined only by who builds the most powerful model. It will be determined by who uses the technology responsibly, productively and inclusively to solve real economic problems.



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World Economy 2026

Growth, Risks and the New Global Economic Order

Introduction

A world at an economic crossroads



The world economy in 2026 is being shaped by forces that are simultaneously disruptive and transformative. Geopolitical conflict, trade restrictions, energy-market volatility, elevated public debt and changing monetary conditions are testing the resilience of governments and businesses. At the same time, investment in artificial intelligence (AI), digital infrastructure, clean energy and advanced manufacturing is creating new sources of demand and productivity.

The result is not a uniform global slowdown or a straightforward recovery. It is a more fragmented economic landscape in which countries experience very different outcomes depending on their exposure to energy imports, their place in technology supply chains, the strength of domestic demand and the credibility of their economic institutions.

The International Monetary Fund's October 2026 World Economic Outlook, titled *Resilience Under Strain, Urgent Choices*, projects global growth of 3.1% in 2026, followed by 3.4% in 2027. It expects global headline inflation to rise to 4.7% in 2026 before easing to 4.1% in 2027. The IMF cautions that risks are tilted to the downside, particularly from conflict escalation, renewed trade tensions, fiscal vulnerabilities and a possible reassessment of AI-related expectations.

Other institutions offer different estimates because of variations in data, assumptions, coverage and forecasting methods. The World Bank's current global outlook puts 2026 growth at 2.5%, while the United Nations' World Economic Situation and Prospects 2026 projected 2.7%. These figures should not be treated as directly interchangeable. Their common message, however, is clear: global expansion is modest relative to the scale of economic and geopolitical pressures.

Growth is resilient, but increasingly uneven

The headline growth rate conceals a wide gap between countries and regions. Economies with strong domestic markets, diversified energy supplies, stable financial systems and access to advanced technology are generally better placed to absorb shocks. Countries that rely heavily on imported fuel, face high debt-servicing costs or have limited fiscal capacity are more exposed.

The United States remains central to global demand, financial markets and technology investment. Its consumer market, capital markets and innovation ecosystem have international influence. Changes in US interest rates, fiscal policy and trade measures can affect exchange rates, borrowing costs and investment flows far beyond its borders.

China remains a major manufacturing and trading power. Its industrial ecosystem, infrastructure and role in global supply chains make its economic performance important to commodity exporters and manufacturers worldwide. At the same time, structural adjustments, confidence, domestic demand and trade relationships remain important variables for its outlook.

Europe faces the task of strengthening productivity and competitiveness while managing energy security, demographic pressures and public spending demands. Across emerging and developing economies, growth prospects vary sharply. Some benefit from investment and commodity exports; others face expensive financing, currency pressure and limited room to respond to shocks.

This divergence matters. A global average can improve even while individual countries experience falling real incomes, weak job creation or rising debt stress. The quality and distribution of growth are therefore as important as the aggregate number.

Energy security has returned to the centre of economic policy

Energy is once again a major channel through which geopolitical events affect the global economy. Disruption to oil, gas and fertiliser supplies can raise transport, electricity and food-production costs. The effects spread through supply chains and eventually reach household budgets, business margins and government finances.

Energy-importing countries are particularly vulnerable. A sustained increase in import prices can widen current-account deficits, weaken currencies and make domestic inflation harder to control. Lower-income households are often hit hardest because food, transport and utilities account for a larger share of their spending.

The response requires more than short-term price intervention. Governments need diversified sources of supply, adequate strategic reserves, resilient transport infrastructure and predictable energy regulation. Renewable energy, storage, grid modernisation, nuclear power where appropriate, and energy efficiency can reduce exposure to imported fossil fuels over time.

The transition itself must be managed carefully. Investment in clean energy can strengthen security and create industries, but financing, minerals, technology access and grid capacity remain constraints. A balanced strategy will protect energy affordability while supporting reliable supply and long-term decarbonisation.

Trade is being reorganised—not simply reversed

The global trading system is changing under the influence of tariffs, industrial subsidies, export controls, sanctions, national-security concerns and efforts to diversify supply chains. Businesses are reassessing where they manufacture, where they source components and how much dependence they should place on a single country or route.

This does not mean globalisation has ended. Cross-border trade in goods, services, capital, data and knowledge remains fundamental to modern production. Rather, globalisation is becoming more selective and more sensitive to political risk. Companies increasingly consider resilience, regulatory alignment and geopolitical exposure alongside cost.

The World Trade Organization's October 2026 outlook illustrates the complexity. It raised its forecast for world merchandise trade volume growth in 2026 to 3.9%, citing stronger-than-expected trade in AI-enabling goods and the ability of supply chains to adapt. At the same time, it lowered its forecast for commercial services trade growth to 3.3%, reflecting pressures on travel and tourism and higher fuel costs. The divergence shows how one shock can affect sectors differently.

For businesses, the new environment calls for supplier diversification, better inventory planning, stronger trade-compliance systems and closer monitoring of freight, insurance and currency risks. For governments, the priority should be to preserve predictable rules and avoid unnecessary barriers that raise costs for consumers and producers.

Artificial intelligence: a powerful but uncertain growth engine

AI has become one of the strongest investment themes in the global economy. Spending on data centres, semiconductors, cloud computing, electricity infrastructure and specialised equipment is generating demand across several countries and industries. The benefits extend beyond technology companies: AI tools are being adopted in finance, manufacturing, logistics, healthcare, education and professional services.

The IMF identifies AI investment as an important support to activity, partly offsetting the drag from higher energy and commodity prices. The opportunity is substantial. If AI improves productivity, it could raise output, support new services and help firms use labour and capital more efficiently.

Yet the gains are not guaranteed or evenly shared. Productivity improvements depend on reliable electricity, digital infrastructure, skilled workers, access to finance and effective management. Smaller firms may struggle with the cost of adoption. Workers in routine roles may need retraining, while education systems must respond to changing skill requirements.

There is also a financial risk. If investor expectations become detached from the commercial returns that AI can deliver, a sharp repricing of technology assets could affect markets and investment. Concentration in a small number of firms, dependence on critical chips and the energy demands of data centres are additional vulnerabilities.

The policy challenge is to encourage innovation while promoting competition, cyber security, responsible data use and workforce transition. AI should be treated as a tool for broad productivity growth, not merely as a speculative investment cycle.

Inflation, interest rates and the return of fiscal discipline

Inflation remains a central concern because price shocks can become persistent when they influence wages, expectations and business pricing decisions. Higher energy and food costs can complicate the task of central banks, particularly when economic growth is already slowing.

Monetary authorities must balance price stability with financial and economic conditions. Interest-rate decisions affect mortgage payments, business borrowing, exchange rates, asset valuations and capital flows. A sudden change in expectations about major central banks can trigger volatility in emerging-market currencies and bond markets.

Governments face a parallel challenge. Public debt has risen in many economies, while spending needs remain substantial in areas such as defence, health, infrastructure, climate adaptation and social protection. Higher borrowing costs increase debt-service burdens and can crowd out productive investment.

The IMF has called for rebuilding fiscal space and strengthening public finances. It also argues that when households face cost-of-living shocks, support should be temporary and targeted towards vulnerable groups rather than relying on broad measures that suppress price signals and can become expensive.

For policymakers, credibility is an economic asset. Clear fiscal plans, effective tax administration, transparent budgets and independent monetary institutions can help anchor expectations and reduce the risk premium demanded by investors.

Debt stress and the development divide

The global debt challenge is not evenly distributed. Countries with deep domestic capital markets, strong institutions and borrowing in their own currencies often have more options than countries dependent on external financing. For low-income and highly indebted economies, higher global interest rates can quickly translate into reduced spending on education, health, infrastructure and climate resilience.

Debt sustainability is not simply about cutting expenditure. It also requires stronger revenue mobilisation, better public investment management, efficient state-owned enterprises and a business environment that encourages productive private investment. Where debt restructuring is necessary, delays can deepen economic damage and uncertainty.

The development divide is also visible in access to technology and finance. Countries that cannot afford modern digital infrastructure risk missing the productivity gains associated with AI and automation. Without investment in skills, connectivity and reliable electricity, the technology gap may widen.

International cooperation remains important through development finance, technical assistance, fairer access to capital and support for countries facing climate-related shocks. Sustainable growth requires that vulnerable economies have a realistic path to invest in people and productive capacity.

The new global economic order: more centres of influence

The global economic order is becoming more multipolar. Economic influence is distributed among established powers, rising Asian economies, resource-rich countries, regional blocs and institutions that shape trade and finance. No single country can determine every major outcome in a world of interconnected markets and competing strategic interests.

Regional trade agreements, supply-chain partnerships and cooperation among emerging economies are gaining importance. The BRICS grouping and other forums reflect a wider desire among developing countries for a stronger voice in global governance. However, these groupings contain diverse national interests and should not be viewed as uniform economic or political blocs.

The US dollar remains the dominant international currency, supported by the depth and liquidity of US financial markets and its role in trade and reserves. Nevertheless, countries are exploring local-currency settlement, alternative payment systems and greater diversification of reserves. Such changes are likely to be gradual; they do not automatically imply an imminent end to dollar dominance.

International institutions face pressure to adapt to a world with different economic weights and priorities. More representative decision-making, transparent rules and practical cooperation on debt, climate, trade and financial stability will be essential to maintain confidence in the multilateral system.

What the changing order means for India

India enters this period with important advantages: a large domestic market, a young workforce, a growing digital ecosystem, expanding infrastructure and opportunities to attract investment as companies diversify supply chains. Its services sector, manufacturing ambitions and entrepreneurial base can support stronger participation in global trade.

However, India is also exposed to external shocks. Higher crude oil prices can increase the import bill and feed into transport and production costs. Global financial volatility can influence capital flows and the rupee. Weak demand in major export markets can affect manufacturers and service providers.

The opportunity is to strengthen competitiveness rather than rely solely on supply-chain relocation.

international markets. Indian MSMEs need support to meet quality standards, adopt technology, secure working capital and become dependable suppliers to larger domestic and global firms.

India can also contribute to global solutions in digital public infrastructure, affordable technology, renewable energy and services. Its role in the emerging economic order will depend on the ability to combine domestic development with credible international partnerships.

Priorities for businesses and policymakers

The uncertainty of 2026 calls for practical preparation. Businesses should map critical suppliers, test alternative sourcing arrangements, monitor foreign-exchange exposure and assess how energy costs affect operations. They should also distinguish between genuine AI productivity opportunities and technology spending driven mainly by market enthusiasm.

Investors need to look beyond headline growth rates and consider debt levels, institutional strength, currency risk, energy dependence and the quality of corporate earnings. Diversification across sectors and geographies can help manage concentration risk, although it cannot eliminate market losses.

Governments should focus on macroeconomic stability, productive public investment, transparent regulation and targeted support for vulnerable households. They should strengthen competition, invest in education and digital skills, improve trade facilitation and maintain open channels of international cooperation.

Above all, resilience should not become a justification for permanent protectionism. Economies are more resilient when they are productive, diversified and connected—not when they isolate themselves from competition and innovation.

Conclusion:

Turning uncertainty into a foundation for renewal

The world economy in 2026 is neither collapsing nor moving smoothly towards a new era of prosperity. It is adapting under pressure. Energy shocks and geopolitical tensions are testing supply chains; public debt is narrowing policy choices; trade relationships are being reshaped; and AI is changing the geography of investment and productivity.



The IMF's October outlook captures this tension: global growth is expected to slow to 3.1% in 2026 before improving to 3.4% in 2027, but the risks remain tilted to the downside. The WTO's trade assessment, meanwhile, shows that technology-related demand can support merchandise trade even as conflict weighs on services and other sectors.

The emerging global economic order will be defined by how countries manage interdependence. Strategic autonomy will matter, but so will cooperation. Energy security will matter, but so will affordability and sustainability. Technological leadership will matter, but inclusive access and skills will determine how widely its benefits are shared.

For businesses, professionals and policymakers, the message is clear: prepare for volatility, invest in productivity and build partnerships that can withstand disruption. The countries that succeed will not simply be those with the largest markets or the fastest-growing industries. They will be those capable of combining innovation, sound institutions, fiscal responsibility and international cooperation.

The next chapter of the global economy will be written not by one dominant force, but by the choices nations make in responding to change.



CMA Manoj Kumar Singh

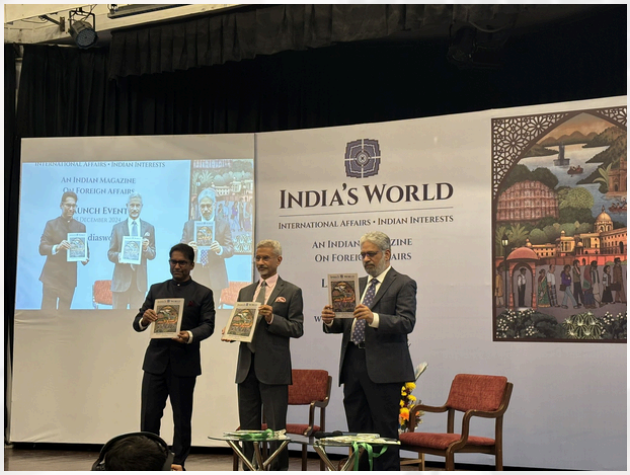
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The Evolution And Expansion Of BRICS

From Four Emerging Economies to a Wider Platform for Global Cooperation

Introduction

A changing voice in global affairs



Over the past two decades, BRICS has evolved from a term used to describe a group of fast-growing emerging economies into a significant platform for international dialogue and cooperation. Its expansion reflects a wider change in the global economy: the growing influence of developing countries and their demand for a stronger voice in institutions that shape international finance, trade and governance.

BRICS brings together countries with different political systems, economic structures, resource endowments and foreign-policy priorities. Its members do not always agree on global issues, and the grouping is not a military alliance or a conventional free-trade bloc. Instead, it operates primarily as a forum for consultation, coordination and practical cooperation across areas such as development finance, trade, technology, energy, health and people-to-people exchanges.

The expansion from the original four countries—Brazil, Russia, India and China—to a much wider membership has increased BRICS' geographical reach and economic diversity. South Africa joined in 2011, followed by a major enlargement beginning in 2024. Indonesia became a full member in January 2025, while a partner-country category created in 2024 opened another channel for engagement.

The central question is no longer simply why BRICS was formed. It is how this increasingly diverse grouping can convert its collective economic weight into practical outcomes while managing differences among its members.

The origin of BRIC: An economic idea becomes a diplomatic platform



The acronym BRIC was introduced in 2001 by economist Jim O'Neill in a Goldman Sachs research paper titled *Building Better Global Economic BRICs*. It referred to Brazil, Russia, India and China—four large emerging economies whose growth prospects suggested that they would become increasingly important in the world economy.

The original concept was an investment and economic analysis, not an intergovernmental organisation. It drew attention to the changing distribution of global economic activity and the potential of large developing markets. The four countries had different strengths: Brazil was an important agricultural and natural-resource economy; Russia had substantial energy and mineral resources; India had a large workforce and expanding services sector; and China was rapidly becoming a manufacturing and export powerhouse.

As the economic influence of these countries increased, their governments found common ground in seeking greater representation in international decision-making. The first meeting of BRIC foreign ministers took place in 2006 on the sidelines of the United Nations General Assembly in New York. This marked the beginning of formal political coordination.

The first BRIC leaders' summit was held in Yekaterinburg, Russia, on 16 June 2009. The meeting took place in the aftermath of the global financial crisis, when questions about the structure of international finance and the representation of emerging economies had become especially urgent.

South Africa joins: BRIC becomes BRICS



The next major development came with South Africa's inclusion. The country joined the grouping in 2010 and participated in the third BRICS summit, held in Sanya, China, on 14 April 2011. The addition of the letter 'S' transformed BRIC into BRICS.

South Africa's inclusion extended the group's representation to the African continent. It also strengthened the argument that BRICS should reflect a broader range of developing-country perspectives rather than remain a grouping of large economies from Asia, Europe and Latin America.

The expansion was not based solely on the size of national GDP. Geographic representation, diplomatic relationships and the desire to connect with developing regions were also relevant. South Africa brought experience in regional diplomacy and a stronger link to African development priorities.

With five members, BRICS began to develop a wider agenda. Discussions increasingly covered development, agriculture, food and energy security, science and technology, public health, education and reform of global institutions. The group's annual summits provided a regular forum for leaders to review cooperation and issue joint declarations.

The South African accession also demonstrated that BRICS could evolve. It established a precedent for future discussions about membership and the role of the Global South in international governance.

Building institutions: From declarations to development finance

A significant step in BRICS' institutional development came at the sixth summit in Fortaleza, Brazil, in July 2014. Leaders signed the agreement establishing the New Development Bank (NDB), designed to mobilise resources for infrastructure and sustainable development projects in BRICS countries and other emerging and developing economies.

Headquartered in Shanghai, the NDB represents one of the most visible practical outcomes of BRICS cooperation. Its creation reflected a shared view that developing countries needed additional sources of long-term finance for roads, transport, clean energy, water, urban development and other infrastructure.

The Fortaleza summit also established the Contingent Reserve Arrangement (CRA), a framework intended to provide a financial safety net through liquidity support in response to short-term balance-of-payments pressures. The CRA was designed to complement existing international financial arrangements, not replace the International Monetary Fund.

These initiatives helped move BRICS beyond political statements. They created mechanisms through which members could pursue development priorities and strengthen financial cooperation. However, their effectiveness depends on sound project selection, transparent governance, financial discipline and the ability to mobilise capital at competitive costs.

The NDB's role is particularly relevant as developing countries face large investment requirements in infrastructure, climate adaptation and energy transition. Its long-term significance will depend on its capacity to deliver projects efficiently and maintain strong financial credibility.

The 2023 Johannesburg decision: A new phase of enlargement



The most consequential expansion decision in BRICS history was announced at the fifteenth summit in Johannesburg, South Africa, in August 2023. Leaders agreed to invite additional countries to join the grouping, reflecting a growing interest among developing economies in participating in BRICS discussions.

The invitation list included Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates. The decision was widely viewed as an effort to broaden the group's reach across regions and bring together countries with significant populations, natural resources, energy capacity and strategic locations.

The enlargement was scheduled to take effect from 1 January 2024. Egypt, Ethiopia, Iran and the UAE joined at the beginning of 2024. Saudi Arabia's position has been described differently in some official national sources, so editorial references to its status should follow the relevant BRICS chairship and government confirmation at the time of publication. Argentina, despite receiving an invitation, did not proceed with membership.

The 2023 decision was important for several reasons. It increased the representation of the Middle East and Africa, strengthened the group's connection to global energy markets and expanded the range of development experiences represented at the table. It also made internal coordination more complex.

A larger membership can increase diplomatic influence, but it also requires more extensive consultation. Countries may share an interest in reforming global institutions while differing on security, trade, regional conflicts, monetary policy and relations with major powers.

Indonesia and the partner-country framework

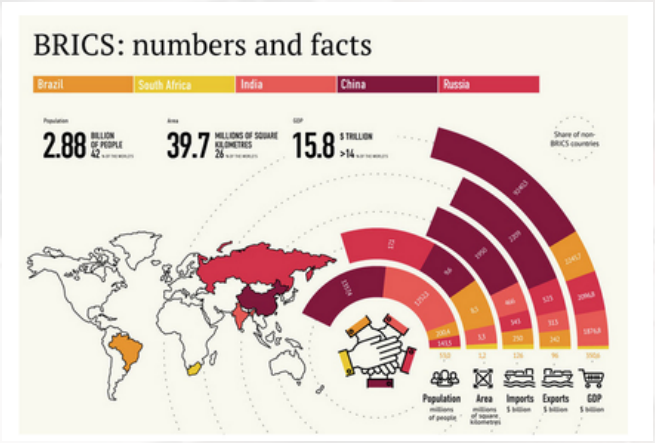
BRICS enlargement continued in 2025. Indonesia became a full member on 6 January 2025, adding Southeast Asia's largest economy and a major population centre to the grouping. Its accession strengthened BRICS' representation in the Indo-Pacific and brought additional opportunities for cooperation in manufacturing, minerals, infrastructure, digital services and regional trade.

Another important development was the creation of a partner-country category at the sixteenth BRICS summit in Kazan, Russia, in October 2024. This framework was designed to provide countries with a structured way to engage with BRICS without immediately becoming full members.

In January 2025, nine initial partner countries were announced: Belarus, Bolivia, Kazakhstan, Cuba, Malaysia, Nigeria, Thailand, Uganda and Uzbekistan. Vietnam was subsequently added to the partner-country framework, taking the announced partner group to ten.
Partner countries may be invited to participate in selected BRICS meetings and discussions, subject to the forum's procedures and consensus arrangements. The category offers a more flexible route for cooperation and allows the grouping to widen its network without making every participating country a full member.

The distinction between full membership and partnership is important. The two categories do not necessarily carry identical participation rights or responsibilities. For accurate reporting, the latest official BRICS or chairship list should be checked before publication, as participation arrangements may evolve.

What makes BRICS economically significant?



The economic significance of BRICS comes from the scale and diversity of its members. Together, they represent a substantial share of the world's population, production, natural resources, energy markets and trade. The expanded group connects major manufacturing centres, commodity producers, agricultural exporters, technology markets and rapidly growing consumer economies.

China is a central manufacturing and trading power. India is a large and expanding market with strengths in services, digital technology and a growing industrial base. Brazil is important in agriculture, mining and energy. Russia has a major role in energy and natural resources. South Africa provides an important link to African markets and mineral supply chains.

The newer members add further dimensions. Egypt and Ethiopia strengthen the group's African presence; Iran, Saudi Arabia and the UAE add significant energy and regional connectivity interests; and Indonesia brings a major Southeast Asian economy with important natural resources and consumer-market potential.

However, aggregate economic size should not be confused with economic uniformity. Members differ considerably in income levels, productivity, inflation, trade patterns, financial-market depth and development needs. Per-capita income and the distribution of economic benefits also vary widely.

BRICS' combined weight gives it a stronger platform for discussion, but its ability to influence outcomes depends on coordination, implementation and the willingness of members to translate shared statements into practical projects.

The Global South and reform of international institutions

A recurring objective of BRICS has been to improve the representation of emerging and developing economies in global governance. Members have called for reforms in institutions such as the United Nations, the International Monetary Fund and the World Bank to reflect changes in the distribution of economic power.

Many developing countries argue that their influence in international decision-making has not kept pace with their contribution to global output, trade and population. They seek a greater role in setting rules on finance, development, technology, climate and trade.

BRICS provides a platform through which members can discuss common positions and advocate changes. Its agenda has also included food security, public health, climate finance, education, skills, digital public infrastructure and sustainable development.

The phrase "Global South" covers countries with very different circumstances and priorities. It should not be understood as a single political bloc. BRICS members themselves have diverse relationships with the United States, Europe and other international partners. Their cooperation is therefore often issue-based rather than identical across every policy area.

The group's influence will depend on whether it can build practical coalitions with countries beyond its membership and contribute constructive proposals to multilateral institutions.

Trade, local currencies and the debate over the US dollar



One of the most discussed areas of BRICS cooperation is the use of national currencies in cross-border trade and finance. Members have exploed ways to make payments more efficient, reduce transaction costs and improve the resilience of financial channels.

Greater use of local currencies can be useful where businesses have regular trade flows and where banking arrangements, currency markets and settlement infrastructure support the transactions. It may reduce some exchange-rate exposure, but it does not eliminate currency risk. Businesses still need to manage convertibility, liquidity, price volatility and regulatory requirements.

Discussion about local-currency settlement is sometimes presented as a plan to create a common BRICS currency or replace the US dollar. These are different propositions. There is no established single BRICS currency in circulation. A common currency would require deep economic coordination, shared institutions, agreed monetary rules and a high level of trust among countries with different economic conditions.

The US dollar continues to play a major role in global reserves, trade invoicing, commodity markets and international finance. Any gradual diversification of payment and reserve arrangements should therefore be understood as an evolving process, not an immediate replacement of the existing system.

For BRICS, practical progress may be more likely through improved payment connectivity, trade finance, local-currency arrangements and cooperation among financial institutions.

Challenges of an expanded grouping

The expansion of BRICS brings opportunities, but it also creates challenges. The members differ in political systems, economic priorities, regional interests and approaches to international disputes. These differences can make it difficult to reach consensus on sensitive matters.

The group's informal structure offers flexibility, but it can also limit implementation. BRICS does not operate like a treaty-based organisation with a central authority empowered to enforce decisions. Many outcomes depend on national governments, voluntary cooperation and follow-through after summits.

A larger membership also increases the need for clear procedures. Members must agree on how new countries are admitted, how partner countries participate, how priorities are set and how disagreements are managed. Without effective coordination, expansion could make the agenda too broad and reduce the ability to deliver measurable results.

Another challenge is managing expectations. BRICS

cannot by itself resolve global conflicts, eliminate financial inequality or replace existing international institutions. Its credibility will depend on realistic goals and demonstrable progress in areas where cooperation is possible.

The group must also ensure that development finance and trade initiatives meet high standards of transparency, environmental and social safeguards, debt sustainability and accountability.

. India's role in the expanding BRICS



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The group must also ensure that development finance and trade initiatives meet high standards of transparency, environmental and social safeguards, debt sustainability and accountability.

India has been a founding member of BRICS and has consistently supported a more representative international order. It has chaired the grouping in 2012, 2016, 2021 and 2026, giving it repeated opportunities to shape priorities and encourage cooperation.

India's interests include development finance, technology, digital public infrastructure, food and energy security, climate action, reform of multilateral institutions and stronger opportunities for developing countries. Its large domestic market and expanding services and manufacturing sectors also create opportunities for trade and investment with other members.

India's position requires balancing cooperation within BRICS with its relationships across the wider international system. It maintains important economic and strategic ties with the United States, Europe, Japan, the Gulf countries and other partners. Its approach has therefore generally emphasised strategic autonomy, issue-based cooperation and constructive engagement.

For Indian businesses, the expanded BRICS network may create opportunities in pharmaceuticals, information technology, engineering, agriculture, education, renewable energy, infrastructure and professional services. Realising these opportunities will require better market intelligence, compliance with local regulations, reliable payment channels and strong commercial partnerships.

India can contribute most effectively by promoting practical cooperation, ensuring that the concerns of smaller developing economies are heard and helping the grouping focus on achievable outcomes.

Conclusion: Expansion must translate into cooperation

The evolution of BRICS reflects a broader transformation in the global economy. What began as an economic label for Brazil, Russia, India and China became a diplomatic forum in 2006 and a leaders' summit process in 2009. South Africa's accession in 2011 gave the grouping a wider continental reach. The 2023 Johannesburg decision, the accessions beginning in 2024 and Indonesia's entry in 2025 opened a new phase of expansion. The partner-country framework has widened engagement further.

BRICS now brings together countries with significant demographic, economic and strategic weight. Its potential lies in development finance, trade facilitation, technology cooperation, energy security, institutional reform and a stronger voice for developing economies.

Yet size alone does not guarantee influence. Differences among members, complex geopolitical relationships and the need for consensus can constrain action. The group will need clear priorities, transparent processes and measurable results to maintain credibility.

For the international economy, BRICS is best understood not as a replacement for the existing global system, but as an increasingly influential platform seeking to reshape parts of it. Its future significance will depend on whether its members can turn shared aspirations into practical cooperation that improves lives, supports sustainable development and contributes to a more representative global order.



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Artificial Intelligence And The Future Of The Global Economy

Productivity, Jobs, Investment and the Race to Shape Tomorrow's Prosperity

Introduction

AI becomes an economic force



Artificial intelligence (AI) is moving rapidly from research laboratories and technology companies into the everyday operations of businesses, governments and households. It is changing how information is produced, decisions are made, services are delivered and goods are manufactured. What began as a technology story has become a major economic question: how will AI influence productivity, employment, investment, competition and the distribution of wealth?

The global economy is entering a period in which AI could become a general-purpose technology, comparable in its long-term influence to electricity, computers and the internet. Its potential is visible across sectors, from financial services and healthcare to logistics, agriculture, education and manufacturing. Yet the economic gains are not automatic. They depend on whether organisations redesign their processes, workers acquire new skills, countries build reliable digital infrastructure and policymakers establish trusted rules.

The International Monetary Fund's 2026 analysis describes AI as a major structural shift affecting jobs, productivity and income distribution. Its 2026 annual reporting also highlights the scale of investment flowing into AI-related technologies, including data centres, semiconductors and computing infrastructure. The World Bank's *World Development Report 2026: The Promise of Artificial Intelligence* focuses particularly on how low- and middle-income economies can adopt, adapt and benefit from AI.

The central issue for the global economy is therefore not simply how powerful AI systems become. It is how widely their benefits are shared—and whether economies can manage the disruption that accompanies technological change.

AI investment is reshaping the global growth landscape

The AI economy is supported by a broad investment cycle. Companies are spending on advanced chips, servers, cloud platforms, data centres, high-speed networks, software and electricity infrastructure. This investment creates demand for construction, engineering, energy, minerals, manufacturing and specialised services.

The IMF's 2026 annual report notes that AI-related technology investment added an estimated 0.5 percentage point to US GDP growth in 2025. It also cites external estimates that private-sector-driven AI investment could exceed US$2 trillion globally in 2026. Such estimates are not guaranteed outcomes, but they illustrate the scale of capital being directed towards the sector.

The investment cycle is geographically concentrated. The United States has a strong position in frontier models, cloud services and venture capital. East Asian economies play essential roles in semiconductor manufacturing, electronics and hardware supply chains. Europe has strengths in industrial engineering, research and regulation, while countries in the Gulf and elsewhere are investing in data centres, digital infrastructure and AI ecosystems.

The next stage will test whether investment translates into durable productivity and commercial returns. Building computing capacity is only one part of the equation. Businesses must find valuable applications, integrate them into operations and measure whether they improve output, quality or customer service.

Productivity: The biggest promise of AI



Productivity is the ability to produce more value with the same or fewer resources. AI can support productivity by helping workers analyse information, automate repetitive tasks, identify patterns, generate drafts, forecast demand and coordinate complex processes.

In manufacturing, AI-enabled systems can improve predictive maintenance, quality control, production scheduling and inventory management. In logistics, algorithms can optimise routes, warehouse operations and delivery forecasts. In agriculture, data-driven tools can support crop monitoring, irrigation decisions and early detection of pests or disease. In financial services, AI can assist with fraud detection, customer support, risk analysis and compliance monitoring.

Professional services may also experience significant change. Accountants, lawyers, consultants, analysts and other specialists can use AI to organise documents, summarise information, prepare initial drafts and identify issues for human review. The value of professionals may increasingly depend on judgement, interpretation, ethics, client understanding and the ability to verify machine-generated work.

However, productivity gains often take time. Organisations need reliable data, secure systems, staff training and redesigned workflows. Simply purchasing an AI tool does not guarantee better performance. The strongest gains are likely to come when technology is combined with process improvement, skilled employees and accountable management.

The future of work: Jobs will change, not just disappear

AI is changing the tasks performed within jobs, and its effects will differ across occupations, industries and countries. Some activities may be automated, while others may become faster or more valuable when supported by AI. New roles will emerge in areas such as AI operations, data governance, cybersecurity, model evaluation, digital transformation and human-machine collaboration.

The IMF has warned that a substantial share of jobs worldwide will be exposed to AI, with the nature of exposure varying between advanced and developing economies. Exposure does not necessarily mean job loss. In many roles, AI may complement workers by increasing their capabilities. In others, it may reduce demand for particular tasks or alter the number and type of workers required.

The World Bank's 2026 assessment highlights an important distinction for developing economies. In many lower-income settings, AI may initially complement workers by expanding access to expertise, especially where skilled professionals are scarce. Yet knowledge-intensive service roles can face disruption, and the impact will evolve as infrastructure and adoption improve.

The transition could be difficult for entry-level workers if routine research, drafting, coding or administrative tasks become automated. These tasks have traditionally helped young employees gain experience. Employers and education providers will need to rethink apprenticeships, practical training and pathways into professional careers.

The policy response should focus on workers, not only on technology. Reskilling, lifelong learning, portable credentials, career guidance and effective social protection can help people move into changing occupations. The objective should be to make workers more productive and adaptable, rather than treating labour as an obstacle to automation.

The global AI divide: Leaders and late adopters

The benefits of AI are unlikely to be distributed evenly. Countries with reliable electricity, broadband connectivity, computing capacity, research institutions, skilled workers and access to capital are better positioned to develop and deploy advanced systems. Economies lacking these foundations risk becoming consumers of technologies designed elsewhere, with limited ability to shape them for local needs.

The World Bank's *World Development Report 2026* argues that developing economies can benefit by adopting existing AI tools, adapting them to local languages and institutions, and advancing their own capabilities over time. It emphasises that countries do not all need to build the largest frontier models to gain economic value. In many cases,

practical applications that address local problems may produce greater near-term benefits.
For example, AI services delivered through mobile phones can help farmers access weather information, support teachers in preparing learning materials and assist health workers with screening or administrative tasks. Local-language tools can widen access for people who are not comfortable using dominant international languages.

The risk is that unequal access to infrastructure and skills could deepen the gap between high-productivity and low-productivity economies. International cooperation, affordable connectivity, open standards, investment in education and responsible technology transfer will be important in reducing this divide.

AI and the transformation of key industries

The economic impact of AI will be felt across almost every major sector, although adoption will proceed at different speeds.

In healthcare, AI can support medical imaging, clinical documentation, patient scheduling, drug discovery and public-health surveillance. These tools may help extend limited medical capacity, but clinical decisions require professional oversight, privacy protection and careful validation.

In education, AI tutors and content tools can support personalised learning, language translation and teacher preparation. Their value depends on access, accuracy and the continued role of educators in developing critical thinking and social skills.

In manufacturing, predictive maintenance, robotics and computer vision can reduce downtime and improve quality. In retail and consumer services, AI can support demand forecasting, inventory management, recommendations and customer assistance. In banking and insurance, it can strengthen fraud detection and risk assessment while introducing new model and cyber risks.

Agriculture may benefit from crop analytics, weather forecasts, precision irrigation and market information. Public administration can use AI to improve document processing, service delivery and analysis, provided that decisions affecting citizens remain transparent, reviewable and accountable.

The common lesson is that AI is most useful when it addresses a defined operational problem. Sector-specific implementation, reliable data and human oversight are more important than adopting technology for its own sake.

Financial markets, competition and the risk of an AI bubble

The rapid expansion of AI has attracted substantial investment and high market expectations. Technology companies, semiconductor producers, cloud providers, utilities and infrastructure developers have all become part of the AI investment story. This can support innovation and economic activity, but it also creates financial vulnerabilities.

The IMF has highlighted risks if expected returns from large AI investments fail to materialise. If investors reassess valuations sharply, the impact could spread through equity markets, corporate financing, employment and business confidence. Debt-funded infrastructure projects may be particularly exposed if demand or revenue falls short of expectations.

Market concentration is another concern. Advanced chips, cloud capacity, data and frontier models are controlled by a relatively small number of companies and jurisdictions. This can create barriers for new entrants and make businesses dependent on a limited set of providers.

Competition policy, interoperability, transparent procurement and access to digital infrastructure can help prevent excessive concentration. Financial regulators should monitor leverage, interconnected exposures and the possibility that stress in a small group of firms could affect wider markets.

A sustainable AI economy requires investment discipline. The strongest businesses will be those that deliver measurable value to customers and the wider economy, not simply those that attract attention or spend the most on technology.



Energy, climate and the physical infrastructure of AI

AI may appear to be a digital service, but it depends on physical infrastructure. Data centres require land, cooling systems, high-capacity networks, semiconductors and reliable electricity. As computing demand expands, energy availability and grid capacity are becoming strategic economic considerations.

Rapid data-centre growth can increase pressure on electricity systems, especially where grids are already constrained. It may also intensify demand for water used in cooling and for minerals and materials required in hardware. These effects vary by location and by the efficiency of facilities and equipment.

AI can also support climate and energy objectives. It can help forecast renewable generation, balance electricity networks, improve building efficiency, monitor ecosystems and optimise industrial energy use. The net environmental impact will depend on the source of electricity, hardware efficiency, system design and the applications being deployed.

Governments and businesses should plan AI infrastructure alongside energy policy. Long-term power contracts, renewable energy integration, efficient cooling, transparent water management and investment in grid resilience can reduce risks. Economic competitiveness will increasingly depend on the ability to provide affordable, reliable and sustainable computing capacity.

Governance, trust and responsible adoption



The economic value of AI depends on public and business trust. Systems that produce inaccurate information, discriminate, expose confidential data or make opaque decisions can create financial losses and undermine confidence.

Responsible AI governance should address data privacy, cybersecurity, intellectual property, transparency, accountability and human oversight. The appropriate safeguards will differ according to the risk of the application. A tool that suggests marketing copy does not carry the same consequences as a system used in medical diagnosis, credit decisions or public-benefit administration.

Businesses should establish clear rules on approved tools, confidential information, data retention, verification and responsibility for final decisions. AI-generated outputs should be checked, particularly where legal, financial, safety or regulatory consequences are involved.

Governments face the task of protecting citizens without making compliance so uncertain or costly that innovation is discouraged. International coordination can help develop compatible principles and reduce fragmentation, while allowing countries to adapt rules to their legal systems and development priorities.

What AI means for small businesses and developing economies



Small and medium-sized enterprises (SMEs) can use AI to access capabilities that were previously expensive or difficult to obtain. Affordable tools can help with customer support, translation, bookkeeping assistance, inventory planning, marketing, document processing and business analysis.

For a small exporter, AI-assisted translation and market research may lower the cost of exploring new markets. A local manufacturer may use predictive maintenance to reduce equipment downtime. A professional firm may automate routine document handling and devote more time to client advice.

However, SMEs often face barriers: limited budgets, weak connectivity, lack of technical skills, concerns about data security and uncertainty about which tools are reliable. Support programmes should therefore focus on practical demonstrations, digital

training, trusted service providers and access to finance—not only on high-level technology strategies.

Developing economies can pursue a pragmatic path: adopt useful tools, adapt them to local languages and business conditions, and build domestic capabilities where there is a clear economic case. This approach can create value without requiring every country or company to compete at the technological frontier.

The policy agenda: Preparing economies for an AI-driven future



Governments need a broad policy framework that connects technology with economic development. First, investment in electricity, broadband, data infrastructure and cybersecurity must expand. Without these foundations, AI adoption will remain limited and uneven.

Second, education systems should strengthen foundational literacy, numeracy, digital competence and problem-solving. Workers need opportunities to update skills throughout their careers. Employers, universities and vocational institutions should work together to make training relevant to changing labour-market needs.

Third, competition and innovation policies should encourage entry, research and access to infrastructure. Public procurement can support responsible adoption, while clear standards can help businesses assess quality and risk.

Fourth, social and labour-market policies should help workers manage transitions. This includes career services, reskilling support and protection for people affected by rapid changes in demand. Tax and regulatory frameworks should avoid creating unnecessary incentives to replace workers where technology could instead improve their productivity.

Finally, international cooperation is essential. AI supply chains cross borders, and risks such as cybercrime, misinformation and market concentration cannot be managed by individual countries alone. Cooperation on standards, research, skills and development finance can make the benefits more widely available.

Conclusion: The future will depend on choices, not technology alone

Artificial intelligence has the potential to become one of the most influential forces shaping the global economy. It can raise productivity, create new industries, improve public services and expand access to expertise. It can also disrupt employment, concentrate market power, increase energy demand and widen inequalities between countries and workers.

The difference between these outcomes will be determined by choices made today. Businesses must integrate AI responsibly and measure real productivity gains. Workers need accessible pathways to acquire new skills. Governments must invest in infrastructure, education and effective institutions. International organisations and private-sector leaders must work together to ensure that AI does not become an advantage available only to a small group of economies and companies.

For developing countries, the opportunity is significant: adopting and adapting useful AI applications may help overcome long-standing shortages of expertise and improve the delivery of essential services. For advanced economies, the challenge is to sustain innovation while managing labour-market and financial risks.

The future of the global economy will not be decided by algorithms alone. It will be shaped by human judgement, institutional capacity, fair competition and the ability to distribute technological gains broadly.



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The Us Dollar Vs BRICS

Is the World Moving Towards a Multipolar Currency System?

Introduction

A debate about power, payments and choice



The international monetary system is undergoing gradual change. The US dollar remains the world's most influential currency, supporting global trade, financial markets, foreign-exchange reserves and cross-border lending. Yet governments and businesses are increasingly exploring ways to diversify payment channels, settle selected transactions in national currencies and reduce unnecessary dependence on a single financial route.

This debate has gained visibility through BRICS, the grouping of major emerging economies that includes Brazil, Russia, India, China, South Africa and its expanded membership. Its members have different economic structures and policy priorities, but many share an interest in making cross-border payments faster, less expensive and more resilient.

The discussion is often described as a contest between the US dollar and BRICS. That framing can be misleading. BRICS is not a currency union, and its members have not agreed to introduce a common currency. The practical agenda is more incremental: improve the interoperability of payment systems, strengthen correspondent banking links and make it easier for businesses to settle trade in national currencies where commercially useful.

The International Monetary Fund's Currency Composition of Official Foreign Exchange Reserves (COFER) data show that the US dollar accounted for 56.70% of global foreign-exchange reserves in the second quarter of 2026, compared with 57.18% in the previous quarter. The share has declined over the longer term, but the dollar remains clearly dominant. The central question is therefore not whether the dollar will disappear, but whether the international system will gradually become more diversified.

Why the US dollar became the world's leading currency

The dollar's international role developed over several decades. The Bretton Woods system, established after the Second World War, placed the dollar at the centre of the international monetary order, with other currencies linked to it and the dollar convertible into gold for official holders. Although the gold-convertibility arrangement ended in 1971, the dollar's central position continued.

Several factors explain its durability. The United States has a large economy, deep and liquid financial markets, a broad range of government securities and a legal and institutional framework trusted by many international investors. US Treasury securities are widely used as reserve assets, collateral and benchmarks for pricing financial instruments.

The dollar also benefits from network effects. Businesses often invoice trade in dollars because suppliers, customers, banks and commodity markets already use it. Banks maintain dollar accounts and correspondent relationships, while companies issue dollar-denominated debt to reach a broad investor base. The more widely a currency is used, the more convenient it becomes for others to use it.

The dollar's role is not limited to official reserves. It is important in foreign-exchange trading, international banking, trade finance, commodity pricing and global debt markets. These connected functions reinforce one another and make rapid replacement difficult.

However, dominance does not mean exclusivity. Other currencies play important regional and international roles, and market participants may diversify without abandoning the dollar.

What the reserve data tell us—and what they do not



Reserve-currency discussions often focus on the share of official foreign-exchange reserves held in each currency. IMF COFER data provide a useful measure of how central banks allocate their disclosed foreign-currency reserves.

In the second quarter of 2026, the dollar's share stood at 56.70%, down from 57.18% in the first quarter. The euro's share rose to 20.60%, while the Chinese renminbi accounted for 2.11%. These figures show that reserve portfolios are diversified, but the dollar remains far ahead of other individual currencies.

A falling share should be interpreted carefully. It can reflect active decisions by central banks to change their portfolios, but it can also result from exchange-rate movements, valuation changes or faster reserve accumulation in currencies other than the dollar. A change in the aggregate share does not necessarily mean that most countries are selling dollar assets.

The Federal Reserve's research on the international role of the dollar has similarly emphasised that the dollar continues to hold a leading position across several dimensions of international finance. Reserve shares are important, but they do not capture every use of a currency in trade invoicing, banking, debt issuance or foreign-exchange markets.

The right conclusion is measured: the reserve system has become somewhat more diversified, but the dollar's international role remains substantial.

Why BRICS members are promoting local-currency settlement

For BRICS members, local-currency settlement is primarily a practical economic issue. When two countries trade, businesses may have to convert their currencies through a third currency, often the dollar. This can add transaction costs, create additional foreign-exchange exposure and require access to correspondent banks.

Where trade flows are regular and both sides have suitable banking arrangements, settling directly in national currencies may reduce conversion steps and improve payment convenience. It can also support trade between countries whose businesses want to diversify their invoicing and financing options.

The benefits are not automatic. A company receiving a foreign currency needs a use for it, a liquid market in which to convert it, or a reliable way to hedge the exchange-rate risk. If trade between two countries is unbalanced, one side may accumulate a currency that it cannot easily spend or invest. Convertibility, market depth, capital controls and confidence in monetary institutions all matter.

Local-currency settlement is therefore most likely to expand where it is commercially justified, supported by liquid markets and backed by clear rules. It is not a universal solution for every trade transaction.

The 2026 BRICS agenda: Payments before a common currency

The BRICS New Delhi Declaration of September 2026 provides a clear indication of the group's current direction. Leaders acknowledged the work of the BRICS Payment Task Force on practical cross-border payment mechanisms. They referred to studies on interoperability between payment and messaging channels and discussions on trade settlement and investment using local currencies.

The declaration emphasised that there is “no one-size-fits-all” approach and encouraged continued work on payment solutions that are fast, low-cost, accessible, efficient, transparent and safe. It also recognised national priorities and the different circumstances of member countries.

This language is significant. It points to technical cooperation and the linking of existing systems rather than a single monetary arrangement. India's official briefing at the 2026 summit also stated that there was no proposal for a BRICS common currency at that time. Local-currency settlement was described as a practical way to reduce transaction costs in bilateral trade.

A cross-border payment network can improve how money moves without changing the currency in which the transaction is priced. A business could, for example, use a more direct payment channel while still invoicing in dollars, rupees, yuan or another agreed currency. Payment infrastructure and currency choice are related, but they are not the same thing.

The near-term BRICS agenda is therefore best understood as an effort to improve payment connectivity and increase options—not as an imminent launch of a new global currency.

Can BRICS create a common currency?



A common BRICS currency is an idea that attracts attention, but it would face major economic and institutional obstacles. A shared currency requires more than an agreement to use a new name or a digital token. It generally needs a common monetary authority or a clearly defined framework for monetary coordination, compatible fiscal rules, trusted institutions, deep financial markets and mechanisms to manage economic shocks.

BRICS members have different inflation rates, business cycles, exchange-rate regimes, capital-account rules and monetary-policy priorities. Their economies also differ in structure: some are major commodity exporters, others are large importers, manufacturers or services economies. A single interest rate and exchange-rate policy could affect members very differently.

A common currency would also raise difficult questions. Who would issue it? How would its value be determined? Which central bank would provide liquidity in a crisis? How would members share governance? What assets would back confidence in the system? How would countries manage trade imbalances and capital flows?

These questions do not make cooperation impossible, but they show why a common currency is a long-term and complex proposition. For the foreseeable future, practical improvements in payment systems and voluntary use of national currencies are more achievable than a monetary union.

China's yuan and the internationalisation challenge

China has taken steps to increase the international use of the renminbi, also known as the yuan. Its importance is supported by China's role in global manufacturing and trade, the size of its economy and the development of offshore renminbi markets and payment infrastructure.

The yuan is used in some trade settlements, investment transactions and official reserves. IMF COFER data put its share of global foreign-exchange reserves at 2.11% in the second quarter of 2026. That is a meaningful presence, but still far below the dollar and euro.

Wider international use depends on more than trade volume. Investors and central banks look for liquid financial markets, predictable regulation, transparent institutions, reliable access to assets and the ability to move funds across borders. China's capital-account management and policy framework shape the pace and extent of renminbi internationalisation.

The yuan may become more important in selected regional and bilateral transactions, particularly where China is a major trading partner. However, a broader reserve-currency role requires sustained confidence and deep, accessible markets. The currency's progress should be assessed on these fundamentals rather than on political declarations alone.

India's rupee: A practical path to wider use

India has an interest in expanding the rupee's role in international trade where it benefits Indian businesses and supports financial stability. The Reserve Bank of India has introduced arrangements that allow eligible international trade to be invoiced and settled in rupees through special rupee vostro accounts, subject to applicable rules.

Rupee settlement can be useful for exporters and importers when counterparties are willing to hold and use the currency. It may reduce the need for an intermediate currency conversion and can support trade with partners seeking alternative settlement arrangements.

But wider use requires a broader ecosystem. Foreign businesses need confidence that rupee balances can be used for imports from India, invested in permitted assets or converted through transparent and liquid markets. The availability of hedging instruments, predictable regulation and balanced trade flows also matters.

India's digital payment infrastructure, including the Unified Payments Interface (UPI), offers useful experience in fast and low-cost domestic payments. Linking payment systems across countries could improve retail and business transfers, but it does not by itself make the rupee a global reserve currency. Payment connectivity, trade invoicing and reserve-asset status are distinct stages of internationalisation.

A gradual, market-led approach—supported by sound macroeconomic policy and trusted financial infrastructure—is more sustainable than setting an arbitrary target for international currency use.

Gold, diversification and central-bank strategy



Gold has regained attention as a reserve asset amid geopolitical uncertainty, inflation concerns and changes in the international financial environment. Unlike a foreign currency, gold is not the liability of another government or central bank. It can therefore provide diversification, although its market price can be volatile and it does not generate interest in the same way as many bonds.

Central banks may hold gold for several reasons: diversification, confidence, liquidity in international markets and long-term reserve management. However, rising gold holdings should not automatically be interpreted as a direct move away from the dollar. The value of gold reserves can rise because the market price of gold increases, even if the quantity held changes little.

A sound reserve strategy usually balances liquidity, safety, return and diversification. The appropriate mix depends on a country's trade patterns, external liabilities, exchange-rate regime and access to international markets.

For the global system, the growing role of gold and a wider range of currencies suggests that reserve managers are considering multiple options. It does not mean that a single alternative has emerged with the same combination of scale, liquidity and network effects as the dollar.

What a multipolar currency system could mean for trade and business



A more diversified monetary system could offer businesses additional choices in how they invoice, receive and make payments. Firms trading regularly with BRICS markets may benefit from local-currency arrangements if they reduce costs and are supported by reliable conversion and hedging services.

Banks may need to develop stronger capabilities in multiple currencies, improve cross-border compliance and connect to new payment channels. Exporters and importers will need to consider currency clauses in contracts, settlement timing, exchange-rate exposure and the availability of working capital in the currency received.

For commodity markets, any gradual change in invoicing practices could affect demand for particular currencies, but the transition would be uneven. Oil, metals and agricultural commodities are traded through complex global markets, with established pricing benchmarks, financing arrangements and risk-management tools. Changing the invoicing currency requires broad participation by producers, buyers, banks and market infrastructure.

Investors should avoid assuming that a decline in one currency's reserve share automatically predicts a fall in its exchange rate or a collapse in its financial influence. Currency values are affected by interest rates, growth, inflation, fiscal credibility, capital flows and market expectations.

For businesses, the priority is not to take a political position on currencies. It is to choose payment and financing arrangements that are reliable, cost-effective and suited to their commercial risks.

Risks and obstacles to a faster transition



The move towards greater currency diversity faces several obstacles. First, liquidity matters. A currency may be widely used in bilateral trade but still lack deep markets for large-scale investment, hedging and emergency funding.

Second, trade imbalances can create persistent currency surpluses in one country and shortages in another. Without convertibility and investment options, businesses may be reluctant to accept a currency that they cannot readily use.

Third, financial infrastructure must be secure. Cross-border systems need common technical standards, robust cyber protection, effective anti-money-laundering controls and clear dispute-resolution procedures. Payment networks must also comply with national laws and international obligations.

comply with national laws and international obligations.

Fourth, trust is essential. Reserve managers and investors need confidence in monetary institutions, property rights, data quality and the ability to access assets when needed. Political alignment alone cannot substitute for these fundamentals.

Finally, the BRICS grouping itself contains diverse interests. Members may agree on making payments cheaper while disagreeing on the pace, design or governance of a new system. The New Delhi Declaration's emphasis on voluntary, practical cooperation and the absence of a one-size-fits-all model reflects these realities.

A multipolar system, if it develops, is likely to emerge gradually through multiple payment channels and currency arrangements rather than through one dramatic replacement.

Conclusion: Competition may grow, but the dollar is not disappearing

The debate over the US dollar and BRICS reflects a wider change in global economic power. Emerging economies want greater influence in international institutions and more options for trade and finance. Advances in digital payments create opportunities to make cross-border transactions faster and less expensive. Central banks are also reviewing reserve strategies in a world shaped by geopolitical and financial uncertainty.

Yet the dollar retains important advantages: deep capital markets, extensive use in international banking and trade, a large supply of liquid assets and powerful network effects. Its reserve share has declined over time, but the IMF's latest COFER data show that it still represents more than half of disclosed global foreign-exchange reserves.

BRICS is not currently introducing a common currency. Its official 2026 agenda focuses on payment interoperability, practical cross-border mechanisms and greater use of local currencies where appropriate. These steps could make the international monetary system more diverse without displacing the dollar's central role.

The future is therefore more likely to involve coexistence than a sudden currency confrontation. The dollar may remain dominant while the euro, yuan, rupee and other currencies gain selected roles in regional trade, investment and reserves. Gold may continue to serve as a diversification asset, and new payment systems may improve the movement of money across borders.



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China's Economy 2026

Growth, Structural Challenges and Its Impact on the World

Introduction: An economic giant at a turning point



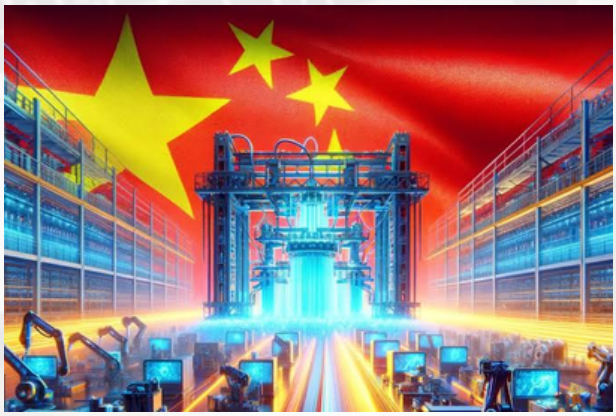
China remains one of the most influential forces in the global economy. Its manufacturing capacity, international trade, technology investment and role in global supply chains affect businesses and consumers across continents. Yet in 2026, the country's economic story is increasingly defined by a contrast: strong industrial and export performance on one side, and persistent weakness in domestic consumption, property investment and private-sector confidence on the other.

The National Bureau of Statistics of China reported that the economy grew by 4.6% year on year in the first three quarters of 2026. Growth was 5.0% in the first quarter, 4.3% in the second and 4.5% in the third. The third-quarter improvement suggests resilience, but the composition of growth matters. Manufacturing and services continued to expand, while construction and real estate remained under pressure.

The International Monetary Fund's October 2026 World Economic Outlook projects China's real GDP growth at 4.5% for 2026. The forecast reflects the support provided by exports and industrial activity, balanced against softer domestic demand and continuing property-sector strains.

China's challenge is not simply to maintain a headline growth rate. It is to rebalance the economy towards stronger household consumption, more sustainable investment, higher productivity and confidence in the private sector. The choices made in this transition will influence global trade, commodity markets, technology competition and the economic prospects of countries such as India.

China's economic transformation: From manufacturing hub to technology power



China's rise over the past four decades has been one of the most consequential transformations in modern economic history. Market-oriented reforms, industrial development, infrastructure investment, urbanisation and integration into global trade helped turn the country into a central manufacturing hub.Its factories became deeply connected to international supply chains, producing electronics, machinery, textiles, chemicals, vehicles, household goods and industrial components. Ports, roads, railways and logistics networks supported large-scale production and exports. A vast domestic market also helped companies achieve scale.The next phase of China's development is increasingly focused on advanced manufacturing, innovation and higher-value industries. Electric vehicles, batteries, solar equipment, industrial robotics, telecommunications, semiconductors and digital services have become important strategic sectors.

This transition is intended to move the economy up the value chain and reduce reliance on lower-cost manufacturing. It also reflects the country's ambition to strengthen technological self-reliance in areas considered critical to national competitiveness.
However, industrial upgrading alone cannot guarantee balanced growth. An economy needs consumers with confidence and purchasing power, productive private investment and efficient allocation of capital. China's challenge is to ensure that its industrial strengths are matched by sustainable domestic demand.

GDP growth in 2026: Resilience with an uneven recovery

China's 4.6% GDP growth in the first three quarters of 2026 indicates that economic activity has continued to expand despite domestic and external headwinds. The third-quarter growth rate of 4.5% was higher than the 4.3% recorded in the second quarter. The structure of growth reveals a divided picture. According to the National Bureau of Statistics, value added in the services sector rose 5.2% in the first three quarters, while industry grew 5.3%. Manufacturing increased 5.6%, and information transmission, software and information technology services expanded 10.4%. Leasing and business services grew 12.3%.By contrast, construction value added declined 4.1% in the first three quarters, while real estate value added fell 0.2%. Retail sales of consumer goods increased only 1.1% over the same period, pointing to subdued household demand.The IMF's 4.5% full-year growth projection is close to the lower end of China's 2026 target range of around 4.5% to 5%. The outcome will depend on domestic consumption, investment confidence, exports, policy support and the

evolution of global trade conditions. For international businesses, these figures suggest that China remains a major market and production centre, but sector-level analysis is essential. A strong manufacturing trend does not mean that every part of the domestic economy is equally healthy.

The property-sector challenge: A long adjustment

The real estate sector has been one of the most important sources of economic pressure in China. For many years, property development supported construction, local-government revenue, household wealth and demand for steel, cement, glass, appliances and other materials. The prolonged adjustment in the sector has therefore affected a wide range of industries.

Developers have faced financing constraints, unfinished housing projects, weaker sales and pressure to reduce debt. Households have become more cautious about property purchases, while local governments have had to manage lower land-sale revenues and financial commitments.

The National Bureau of Statistics reported that real estate value added declined 0.2% in the first three quarters of 2026. Reuters reported that property investment fell 20.6% year on year in January–September, while fixed-asset investment overall declined 7.2%. These indicators point to continuing weakness in the investment cycle.The policy challenge is to stabilise the housing market without recreating the excessive leverage that contributed to the downturn. Measures to complete pre-sold homes, improve access to affordable housing, manage developer liabilities and support viable projects can help restore confidence.

A sustainable recovery will require households to believe that homes will be delivered, prices are not facing uncontrolled declines and the broader economy offers secure income prospects. The property sector may remain a drag until balance sheets and expectations improve.

Consumption and household confidence: The missing growth engine

A more balanced Chinese economy will need household consumption to play a larger role. Retail sales grew only 1.1% in the first three quarters of 2026, according to official data. This relatively modest pace highlights the gap between industrial capacity and consumer demand.Several factors influence household spending. Confidence in employment and future income matters, as do housing wealth, social-security arrangements, healthcare costs, education expenses and expectations about retirement. When households feel uncertain, they may prefer to save rather than make large purchases.

Policy support can encourage consumption through targeted transfers, improved social protection, services-sector development and measures that strengthen household income. Consumer subsidies can support demand in selected sectors, but their impact may fade if they are temporary or concentrated on durable goods.

A durable consumption recovery requires more than discounts. It depends on stable employment, rising disposable incomes and confidence that households can manage future costs. Expanding access to healthcare, pensions and other public services may reduce precautionary saving and support spending over time.

For global companies, the size of China's consumer market remains attractive. However, firms should assess consumer sentiment, income distribution, regional differences and product categories rather than assume that a large population automatically translates into rapid sales growth.

Manufacturing, electric vehicles and the export advantage

Manufacturing remains one of China's strongest economic assets. The country has extensive supplier networks, skilled industrial labour, large-scale production facilities and developed logistics infrastructure. These advantages allow manufacturers to produce at scale and compete across international markets.

Electric vehicles and batteries illustrate the country's industrial momentum. Chinese companies have expanded production capacity, improved product ranges and entered markets across Asia, Europe, Latin America, the Middle East and Africa. Solar panels, battery storage systems, industrial equipment and electronics are also important export categories.

The National Bureau of Statistics reported that equipment manufacturing grew 10.2% and high-tech manufacturing 14.3% in the first three quarters of 2026. Output of industrial robots, lithium-ion batteries and 3D-printing equipment increased 29.1%, 39.5% and 62.5%, respectively, according to official figures.

These trends support China's ambition to become a leader in advanced manufacturing. But rapid capacity expansion can also create intense price competition and concerns about overcapacity. If domestic demand is insufficient, producers may rely more heavily on exports, increasing trade tensions with importing countries.

The next test will be whether manufacturers can move from scale and cost advantage towards durable innovation, quality, profitability and stronger global brand recognition.

US–China trade tensions and the global supply chain

Trade relations between China and the United States remain a major source of uncertainty for the global economy. Tariffs, export controls, technology restrictions and industrial policies affect companies that rely on cross-border supply chains. Businesses must consider not only production costs but also market access, regulatory requirements and geopolitical exposure.

China remains deeply integrated into global trade, but many multinational companies are diversifying sourcing and production locations. The strategy often described as “China plus one” involves retaining important operations in China while developing additional capacity in countries such as India, Vietnam, Mexico and other manufacturing destinations. This shift does not mean that global businesses can easily replace China's industrial ecosystem. Supplier depth, infrastructure, skilled labour and production scale take years to replicate. In many industries, companies will continue to depend on Chinese components and intermediate goods even as final assembly moves elsewhere.

Trade restrictions can accelerate diversification, but they can also raise costs, create uncertainty and disrupt investment. A more stable trade environment would benefit producers and consumers across countries.

For China, maintaining export competitiveness while expanding domestic demand is important. For its trading partners, the opportunity is to attract investment and build complementary supply chains rather than rely solely on a strategy of replacing one production base with another.

Technology, semiconductors and artificial intelligence



Technology is central to China's long-term economic strategy. The country is investing in artificial intelligence, semiconductor design and manufacturing, robotics, cloud computing, quantum research, telecommunications and industrial software. These sectors can improve productivity and support higher-value economic activity.

China has made substantial progress in electric vehicles, batteries, renewable-energy equipment and industrial automation. Its large domestic market provides a testing ground for new products, while competition among companies can accelerate innovation and lower costs. Semiconductors remain a strategic challenge. Advanced chip production requires specialised equipment, materials, intellectual property and highly skilled research teams. Export controls and restrictions on access to certain technologies have increased the importance of domestic capability, although technological gaps remain in some advanced segments.

AI may help Chinese businesses improve manufacturing efficiency, logistics, customer services and research. The economic return will depend on reliable computing infrastructure, high-quality data, skilled workers and commercially useful applications.

For global markets, China's technology progress creates both opportunities and competition. It can lower the cost of clean-energy and digital products, while also raising questions about supply-chain concentration, data governance, cybersecurity and fair market access.

Belt and Road Initiative: Connectivity and international influence

China's Belt and Road Initiative has sought to expand connectivity through transport, energy, logistics and other infrastructure projects across Asia, Africa, Europe and parts of Latin America. It has supported the development of ports, railways, roads, power facilities and industrial zones, while strengthening China's commercial and diplomatic relationships.

For participating countries, infrastructure investment can address major development gaps and improve access to markets. Better transport links can reduce logistics costs, while energy projects can support industrialisation and access to electricity.

However, project outcomes depend on commercial viability, transparent procurement, environmental and social safeguards, debt sustainability and local economic benefits. Some projects have faced criticism over cost overruns, financing risks and limited transparency. Recipient countries need strong project appraisal and debt-management systems to ensure that infrastructure creates lasting value.

China's overseas investment strategy is also evolving, with greater attention to smaller, more targeted projects and areas such as green energy, digital infrastructure and industrial cooperation. The future of the initiative will depend on whether projects deliver measurable economic benefits to both China and partner countries.

China's role in BRICS and the changing global order

major driver of the group's trade, investment and industrial links. Its participation gives BRICS considerable economic weight, but the grouping includes countries with different priorities and strategic relationships.

BRICS cooperation covers development finance, trade, public health, technology, energy and reform of global governance. The New Development Bank provides a platform for infrastructure and sustainable-development financing. Members have also discussed improving cross-border payments and encouraging the use of national currencies where practical.

China's role in these discussions is significant, particularly because of its manufacturing scale and international trade relationships. However, BRICS decisions are based on consultation among members, and China's preferences do not automatically become the group's common position.

The expansion of BRICS has increased its geographic reach and diplomatic visibility. At the same time, differences in economic structure, foreign policy and regional interests make coordination more complex. China's ability to contribute constructively will depend on how it balances its

What China's economic direction means for India



China's economic performance has direct implications for India through trade, investment, commodities, technology and regional competition. India imports a wide range of industrial inputs, electronics components, machinery, chemicals and other products from China. Disruptions or price changes in Chinese production can therefore affect Indian manufacturers.

At the same time, companies diversifying supply chains may consider India as an additional manufacturing base. This creates opportunities in electronics, pharmaceuticals, automotive components, renewable energy, engineering and logistics. To capture them, India needs reliable infrastructure, skilled workers, competitive costs, efficient customs procedures and predictable regulation.

The two economies also compete in several sectors, including electric vehicles, solar equipment, digital technology and manufacturing exports. Competition can encourage innovation and efficiency, but it also makes investment in research, skills and industrial ecosystems more important.

India's approach should combine prudent risk management with selective economic engagement. Building domestic capacity does not require eliminating trade; it requires developing competitive suppliers, diversifying critical imports and expanding exports. Stronger regional connectivity and transparent commercial rules can benefit businesses in both economies.

For Indian MSMEs, opportunities may arise as global buyers seek alternative suppliers. Meeting quality standards, delivery schedules, technology requirements and compliance obligations will be essential to convert interest into long-term contracts.

Policy priorities and the outlook for 2027



China's policy challenge is to support demand while continuing structural reforms. Targeted fiscal measures can help households, local governments and viable businesses, while monetary policy can support liquidity and confidence. However, broad stimulus alone may not resolve structural issues in property, household consumption or the allocation of capital.

A stronger social safety net, better access to public services and policies that support household income could help rebalance growth towards consumption. Reforms that improve the business environment and protect fair competition can support private investment and innovation.

The country must also manage local-government debt, property-sector liabilities and financial risks without undermining productive investment. Greater transparency and efficient allocation of public resources will be important.

Externally, China will need to navigate trade restrictions, technology competition and changing supply-chain strategies. Maintaining open commercial relationships while addressing concerns about market access and industrial subsidies could reduce uncertainty.

The IMF's October 2026 projection of 4.5% growth for the year provides a useful baseline, but the outlook remains dependent on consumer confidence, property stabilisation, export demand and policy implementation. The quality of growth—rather than the headline rate alone—will be the key measure of success.

Conclusion: China's next chapter will shape the world economy

China's economy in 2026 demonstrates both strength and strain. Its manufacturing base, export networks, technology investment and expanding modern services remain powerful sources of resilience. At the same time, weak consumption, property-sector adjustment, softer investment and trade uncertainty show that the country's growth model is undergoing a difficult transition.

The third-quarter recovery to 4.5% and first-three-quarter growth of 4.6% indicate that economic activity remains solid, but the uneven performance across sectors deserves attention. Advanced manufacturing and digital services are expanding rapidly, while construction and real estate remain under pressure and retail demand

For the global economy, China's choices will influence commodity demand, industrial prices, clean-energy supply chains, technology competition and international trade. For India, the transition creates both competitive challenges and opportunities to attract investment and strengthen domestic manufacturing.

China's long-term success will depend on achieving a better balance between production and consumption, investment and household welfare, industrial scale and market efficiency. It must also sustain innovation while managing financial risks and maintaining constructive international economic relationships



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The Global Energy Equation: Oil, Geopolitics and the Race for Energy Security in 2026

Introduction

Energy Is Once Again at the Centre of World Affairs



Energy has always been more than a commodity. It is a foundation of industrial production, transportation, agriculture, trade and national security. In 2026, oil has returned to the centre of global economic debate as geopolitical conflict, disrupted shipping routes and changing production patterns expose the vulnerability of international energy supply chains. The price of a barrel of crude is no longer determined only by the balance between producers and consumers; it also reflects the security of sea lanes, the resilience of infrastructure, the availability of tankers, insurance costs and diplomatic developments.

The latest market picture illustrates this volatility. The US Energy Information Administration (EIA), in its 10 November 2026 Short-Term Energy Outlook, reported that Brent crude averaged $124 per barrel in October, its highest monthly average since July 2022. It attributed the rise to falling inventories, attacks on tankers and disruptions to global oil flows. The agency estimated that Middle East production shut-ins averaged 2.5 million barrels per day in October, down from a peak of 10.9 million barrels per day in May. It forecast Brent at around $100 per barrel in November and December, while warning that geopolitical risks could produce sharper short-term movements.

These figures are forecasts and estimates, not guarantees. The outlook can change quickly if shipping routes reopen, production returns, or conflict escalates. But the central lesson is clear: energy security is now a defining economic and strategic priority for governments, companies and households.

The Global Oil Market: Supply, Demand and the Price of Risk

The global oil market is a complex network connecting crude producers, refiners, traders, shipping companies, storage operators and end users. Oil is traded across borders in different grades and refined into petrol, diesel, aviation fuel, liquefied petroleum gas and feedstocks for petrochemicals. A disruption at one point in the chain can quickly affect prices and availability elsewhere.

In a normal market, prices respond to the relationship between supply, demand and inventories. When production exceeds consumption, stocks tend to build and prices may soften. When supply is interrupted or demand rises faster than expected, inventories are drawn down and prices can increase. In 2026, however, the risk premium associated with geopolitical uncertainty has become a major factor. Even when barrels continue to reach buyers, the possibility of further disruption can raise freight, insurance and financing costs.

The EIA's November outlook estimated global liquid-fuels consumption would fall by 2.0 million barrels per day in 2026, partly because high prices and supply constraints encouraged lower consumption, including in China and the Middle East. It expected demand to recover by 2.0 million barrels per day in 2027 as flows gradually normalise and prices ease. The same outlook projected global liquid-fuels production at 101.7 million barrels per day in 2026 and 108.4 million barrels per day in 2027. These estimates underline how quickly a supply shock can alter both production and consumption expectations.

Oil prices also influence currencies, fiscal balances and monetary policy. For importing countries, higher crude prices increase the cost of foreign exchange and can widen current-account deficits. For exporting countries, they can increase government revenues but also create pressure to manage spending and investment prudently. A sustained price shock can feed into transport, food and manufacturing costs, complicating efforts by central banks to control inflation.

The Strait of Hormuz: A Narrow Waterway with Global Consequences

Few locations demonstrate the connection between geography and energy security as clearly as the Strait of Hormuz. This narrow passage between Iran and Oman links the Persian Gulf with the Gulf of Oman and the wider Indian Ocean. It is a critical route for crude oil, petroleum products and liquefied natural gas exports from major Gulf producers. Any interruption can affect energy importers across Asia and beyond.

The 2026 conflict has highlighted the risks of depending on a small number of maritime chokepoints. Attacks on vessels, security warnings and uncertainty over safe passage have disrupted normal shipping patterns. Reuters reported on 10 November that LNG tanker traffic through Hormuz in October reached its highest monthly level since the conflict began, indicating a partial recovery in movements but not a return to normal conditions. A separate Reuters report described continuing attacks on shipping and energy infrastructure despite market hopes for de-escalation.

The economic consequences extend beyond the value of delayed cargoes. Shipowners may divert vessels, insurers may increase premiums or restrict cover, and charter rates can rise when fewer ships are willing or available to operate in a high-risk area. Longer voyages tie up vessels and reduce effective shipping capacity. Refineries may have to source alternative grades of crude, adjust production or pay more for feedstock. These additional costs can ultimately reach consumers through higher fuel and transport prices.

Some Gulf producers have invested in pipelines and alternative export routes that can bypass the Strait to a limited extent. Such infrastructure provides valuable flexibility, but it cannot fully replace the capacity and commercial efficiency of established sea routes. The lesson for energy planners is that diversification must include transport corridors and logistics, not merely a wider list of suppliers.

OPEC+ and the Politics of Production

The Organisation of the Petroleum Exporting Countries (OPEC) and its partner producers, collectively known as OPEC+, remain influential in shaping global oil supply. Their production decisions can affect market expectations, inventory levels and the balance between short-term price stability and long-term investment. Saudi Arabia and Russia are particularly important participants, alongside other major producers.

OPEC+ decisions are not made in a vacuum. Members have different fiscal needs, production capacities and strategic priorities. Some countries can increase output relatively quickly, while others face infrastructure constraints, investment shortfalls or political instability. Announced production targets therefore do not always translate into actual barrels reaching the market.

A Reuters survey published on 9 November estimated that OPEC crude output rose by 1.38 million barrels per day in October to 22.87 million barrels per day, reaching around 90% of its February level before the conflict disrupted Middle Eastern production and exports. The survey noted that conflict-related constraints prevented some producers from fulfilling planned increases. This illustrates the difference between a policy decision to raise output and the physical ability to deliver it.

For OPEC+, the challenge is to balance market stability with members' revenue requirements and the risk that very high prices may accelerate demand destruction or substitution. For importing nations, the challenge is to avoid excessive dependence on the decisions of a small group of producers. Dialogue between producers and consumers, transparent market data and predictable investment conditions remain important to reducing volatility.

The United States, Russia and the Changing Geography of Supply

The United States has become a major force in global oil and gas markets through the development of shale resources, advanced drilling techniques and a large domestic refining and logistics system. Its production flexibility and export capacity can help offset disruptions elsewhere, although shale output responds to investment, costs, infrastructure and market prices. The United States is also a major consumer, making its domestic energy policy relevant to both global demand and supply.

Russia remains a significant producer and exporter, but sanctions, restrictions, changing trade relationships and infrastructure risks have altered the routes through which its energy reaches international markets. Russian crude and petroleum products have been redirected towards different buyers, often involving longer voyages and more complex trading arrangements. Disruptions to ports, pipelines, refineries or tankers can affect availability even when production continues.

The broader shift is towards a more fragmented energy trading system. Buyers are increasingly attentive to sanctions exposure, payment channels, shipping access, insurance and the political reliability of suppliers. Companies must assess not only the price and quality of a cargo but also whether it can be transported, financed and insured without interruption. This raises compliance costs and makes energy procurement a strategic function rather than a routine purchasing exercise.

India's Energy Security: Growth, Imports and Strategic Choices



India's energy challenge is distinctive. It is one of the world's largest and fastest-growing major energy consumers, with rising demand for mobility, electricity, manufacturing, aviation, construction and petrochemical products. Oil is central to transport and industry, while coal, natural gas, nuclear power, hydroelectricity, solar and wind all contribute to the broader energy mix.

India imports a substantial share of the crude oil it processes. This dependence exposes the economy to global price movements, exchange-rate changes and shipping disruptions. When international crude prices rise, the effects can appear in the import bill, the current account, fuel marketing economics, transport costs and inflation. The impact is not always immediate or uniform because domestic taxes, pricing policies, refining margins and government decisions influence the final price paid by consumers.

India has several tools to strengthen resilience. These include diversifying crude suppliers, expanding strategic petroleum reserves, improving refinery flexibility, investing in pipelines and port infrastructure, and strengthening diplomatic and commercial relationships with energy-producing countries. Strategic reserves can provide a temporary buffer during emergencies, but they cannot substitute for secure long-term supply. Their effectiveness depends on adequate capacity, replenishment plans and clear release procedures.

India's refining sector is also an important source of resilience. Complex refineries can process a range of crude grades and produce fuels for domestic use and export. However, the ability to switch suppliers depends on technical compatibility, commercial terms, shipping availability and the economics of refining. A diversified supplier list is most valuable when supported by flexible infrastructure and reliable logistics.

The long-term objective is not simply to reduce oil imports overnight. Oil will remain important for transport, aviation, shipping, petrochemicals and industrial applications for years. India's strategic task is to manage import exposure while reducing the oil intensity of economic growth through public transport, fuel efficiency, electrification, alternative fuels and cleaner industrial technologies.

Natural Gas, LNG and the Wider Energy Supply Chain

The global energy equation is not limited to crude oil. Natural gas and liquefied natural gas (LNG) are essential to electricity generation, fertiliser production, industrial heating and household consumption in many economies. LNG can be transported by specialised vessels and regasified at import terminals, giving buyers access to global markets. But this flexibility depends on liquefaction capacity, shipping, terminals and safe maritime routes.

The Strait of Hormuz is also important for LNG exports, particularly from Qatar. Disruption to this route can therefore affect gas markets as well as oil markets. When LNG cargoes become scarce, importers may compete for available shipments, pushing up spot prices. Countries with limited storage or fewer alternative suppliers can be especially exposed. High gas prices can also affect fertiliser production and electricity costs, creating indirect pressure on food prices and industrial competitiveness.

Diversification in gas markets requires long-term contracts, access to multiple suppliers, adequate regasification capacity, storage where feasible and a balanced domestic production strategy. Gas can support power-system flexibility as renewable generation expands, but overinvestment in inflexible fossil-fuel infrastructure can create financial and climate risks if demand changes faster than expected.

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The Energy Transition: From Oil Dependence to a Diverse System

The energy transition is reshaping investment decisions across the world. Solar and wind power, battery storage, electric vehicles, green hydrogen, nuclear energy and energy-efficiency technologies are changing how countries plan for future demand. These technologies do not eliminate the need for oil immediately, but they can reduce exposure to imported fuels over time, especially in electricity generation and road transport.

Electrification is particularly important. Electric vehicles can reduce direct petroleum consumption in passenger transport, while electric buses and rail systems can lower the oil intensity of urban mobility. Renewable electricity can also reduce the use of gas and coal in power generation, although grid reliability requires storage, transmission investment, flexible generation and demand management.

The transition itself creates new dependencies. Batteries and clean-energy technologies require minerals such as lithium, nickel, cobalt, copper and graphite, as well as advanced manufacturing capabilities. Supply chains for these materials are geographically concentrated, and processing capacity is not evenly distributed. Countries seeking energy independence through renewables must therefore consider mineral security, recycling, technology access and domestic manufacturing.

A successful transition is not a simple choice between fossil fuels and renewables. It is a managed transformation involving affordability, reliability, emissions reduction and industrial competitiveness. Oil and gas will remain part of the energy system during the transition, but the balance of investment is likely to shift towards cleaner technologies, more efficient infrastructure and diversified sources of supply.

How Oil Prices Affect Inflation, Trade and Business

Oil is embedded in almost every part of the modern economy. It fuels trucks, ships, aircraft, farm machinery and construction equipment. Petroleum products are used in plastics, chemicals, synthetic fibres, paints, lubricants and numerous industrial materials. A sustained rise in crude prices can therefore increase costs across a wide range of sectors.

The first-round effect is often visible in fuel and freight costs. The second-round effect appears when businesses pass higher costs to customers or workers seek compensation for a rise in living expenses. Food prices can be affected through diesel-powered farm equipment, irrigation pumps, fertiliser production, packaging and distribution. Airlines, logistics companies, manufacturers and small businesses may face pressure on margins.

For central banks, an oil shock creates a difficult policy choice. If higher energy prices are temporary, policymakers may look through the initial increase while monitoring inflation expectations. If the shock persists and spreads into wages and broader prices, monetary policy may need to respond. Higher interest rates, however, can slow investment and consumption. Governments must also consider the fiscal cost of subsidies or tax reductions designed to cushion households and businesses.

Businesses can improve resilience through energy audits, fuel-efficiency measures, hedging policies where appropriate, supplier diversification, inventory planning and scenario analysis. Small and medium enterprises may not have access to sophisticated financial instruments, but they can still monitor fuel exposure, renegotiate logistics arrangements and improve operational efficiency.

The Strategic Priorities for Governments and Industry

The events of 2026 point to a practical agenda for energy security. First, countries need diversified sources of supply. Concentration in one supplier, region, pipeline or shipping corridor creates a vulnerability that can become costly during a crisis. Diversification should be commercially viable and supported by infrastructure.

Second, governments should invest in resilient logistics. Ports, storage terminals, pipelines, refineries, electricity grids and digital control systems are all part of national energy security. Physical protection, cybersecurity, emergency response and maintenance are equally important. A disruption to a refinery or power network can be as damaging as a shortage of imported crude.

Third, strategic reserves and emergency coordination mechanisms should be credible and transparent. Reserves are most useful when governments have clear rules for release, replenishment and coordination with industry. International cooperation can help prevent panic buying and improve information sharing during supply shocks.

Fourth, energy policy should encourage investment without creating abrupt regulatory uncertainty. Producers need predictable frameworks to invest in exploration, production and infrastructure. At the

same time, clean-energy developers need stable market rules, grid access and financing. A balanced policy environment can support both near-term reliability and long-term decarbonisation.

Finally, governments and companies should use scenario planning. Energy strategies must account for multiple possibilities: prolonged geopolitical disruption, a rapid return of supply, weaker global demand, technological breakthroughs or extreme weather. A robust system is one that can adapt rather than one built around a single forecast.

The Road Ahead: Volatility, Adaptation and a New Energy Order



The global energy system in 2026 is being shaped by three forces: geopolitical risk, the changing geography of production and the transition towards lower-carbon technologies. These forces do not move at the same speed. A new solar plant or electric vehicle fleet may reduce future oil demand, but a shipping disruption can affect prices within hours. Governments must therefore manage immediate vulnerabilities while preparing for structural change.

The EIA's November outlook expected global inventories to begin rebuilding in the fourth quarter of 2026 and projected a larger build in the first half of 2027, which could place downward pressure on prices if supply normalises. It also cautioned that Middle East flows would remain vulnerable to disruption. Such forecasts highlight the uncertainty facing the market: a projected surplus does not guarantee stable prices when transport routes and infrastructure remain exposed.
For India and other major importing economies, the priority is to combine diplomatic engagement, supplier diversification, strategic reserves, efficient refining, stronger infrastructure and faster deployment of alternative energy. For producers, the challenge is to maintain reliable investment while adapting to changing demand and climate commitments. For businesses, energy risk must become part of financial planning, procurement and operational strategy.

The next phase of the global energy order will not be defined by one fuel or one country. It will be shaped by the ability of economies to secure affordable energy, withstand shocks, innovate and transition responsibly. The countries that build flexible systems —supported by diversified supply, resilient infrastructure, technology and international cooperation—will be better positioned to protect growth and competitiveness.

Conclusion: Energy Security Is Economic Security

The events of 2026 have reinforced a fundamental truth: energy security is inseparable from economic security. Oil remains a vital input for transport, industry and trade, while natural gas and electricity underpin modern production. Disruptions to supply routes can influence inflation, public finances, corporate investment and household budgets far beyond the energy sector itself.

The answer is not to rely indefinitely on a single fuel, supplier or corridor. It is to build a diversified and resilient energy system that can withstand geopolitical shocks while supporting economic development and environmental goals. For the global economy, the race for energy security is now also a race for industrial strength, technological capability and strategic independence.



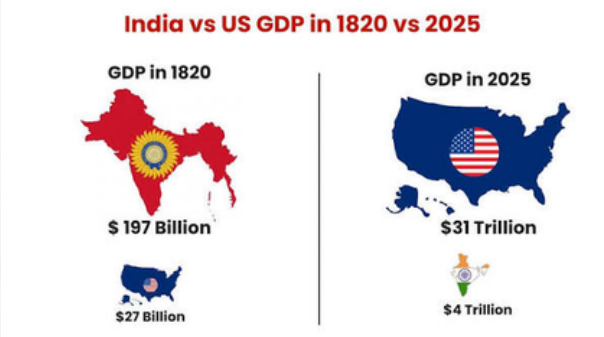
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World's Top 10 Economies in 2026: Economic Power, Global Rankings and the Rise of Emerging Markets

Introduction

A Changing Map of Global Economic Power



The global economy in 2026 is valued at approximately US$128 trillion in nominal terms, but its wealth and productive capacity are distributed unevenly. A small group of countries accounts for a substantial share of global output, trade, investment, technology and financial activity. The United States and China remain the two economic giants, while Germany, Japan, the United Kingdom, India and other major economies shape the next tier of global influence.

According to the International Monetary Fund's October 2026 World Economic Outlook, the United States is projected to remain the world's largest economy, with nominal gross domestic product (GDP) of approximately US$32.64 trillion. China follows at US$21.55 trillion. Germany, Japan, the United Kingdom and India occupy the next positions, with France, Russia, Italy and Brazil completing the top ten. These are estimates for the full year 2026, not final audited outcomes. Exchange-rate movements, inflation, revisions to national accounts and new economic data can change the ranking.

The rankings offer more than a league table. They provide a snapshot of the scale of national economies and their capacity to influence international markets. Yet GDP alone does not measure living standards, income distribution, productivity, technological sophistication or resilience. A country can rank highly because of its large population or resource base while still facing significant development challenges. Conversely, a smaller economy can enjoy high incomes, advanced institutions and strong global competitiveness.

This article examines the ten largest economies by projected nominal GDP, explains why rankings differ under purchasing power parity, and considers how emerging markets—particularly India—may influence the next phase of global economic growth.

The Top 10 Economies in 2026: The Nominal GDP Ranking

The following ranking uses nominal GDP in current US dollars, based on the IMF's October 2026 projections. Nominal GDP converts the value of a country's annual production into US dollars using market exchange rates. It is widely used to compare the international financial scale of economies, although currency movements can affect a country's position even when domestic production changes only modestly.

Rank 1 — United States: US$32.64 trillion. The United States retains a substantial lead, supported by a large consumer market, deep capital markets, a globally influential technology sector, high-value services, energy production and the international role of the US dollar.

Rank 2 — China: US$21.55 trillion. China's scale reflects its manufacturing ecosystem, infrastructure, exports, large domestic market and position in global supply chains. Its growth model is adjusting as policymakers seek to strengthen household consumption while managing property-sector pressures and demographic change.

Rank 3 — Germany: US$5.47 trillion. Europe's largest economy is built on advanced manufacturing, engineering, chemicals, automobiles, industrial equipment and exports. Its future competitiveness depends on energy costs, productivity, investment, innovation and the ability to adapt its industrial base.

Rank 4 — Japan: US$4.34 trillion. Japan remains a major industrial and technological economy, with strengths in automobiles, machinery, precision manufacturing, materials and advanced services. Its long-term challenges include an ageing population, labour constraints and the need to lift productivity.

Rank 5 — United Kingdom: US$4.27 trillion. The UK benefits from globally connected financial and professional services, higher education, pharmaceuticals, creative industries and a major international business centre in London. Productivity growth, regional disparities and public finances remain important policy issues.

Rank 6 — India: US$4.06 trillion. India's position reflects a large domestic market, expanding services sector, digital infrastructure, manufacturing ambitions and a young workforce. Its growth potential is significant, but employment quality,

skills, infrastructure, female labour-force participation and income levels remain central development priorities.

Rank 7 — France: US$3.55 trillion. France has a diversified economy with strengths in aerospace, luxury goods, tourism, agriculture, energy, transport, defence and business services. Its policy debate includes fiscal sustainability, competitiveness and the need to support investment and employment.

Rank 8 — Russia: US$2.86 trillion. Russia's economy is supported by energy, minerals, agriculture, metals and defence-related production. Sanctions, restricted access to some technologies and capital, geopolitical uncertainty and dependence on commodity sectors shape its medium-term outlook.

Rank 9 — Italy: US$2.70 trillion. Italy combines globally competitive manufacturing districts, machinery, luxury products, fashion, food, design and tourism. Its challenges include public debt, productivity growth, regional disparities and an ageing population.

Rank 10 — Brazil: US$2.65 trillion. Latin America's largest economy has major strengths in agriculture, mining, energy, food processing, aviation and services. Its future performance will depend on productivity, infrastructure, fiscal credibility, investment and the ability to expand higher-value industries.

The distance between second and third place is striking: China's projected GDP is almost four times Germany's. This highlights the concentration of economic scale at the top of the global ranking.

The United States: The Continuing Leader

The United States remains the world's largest economy because of the breadth and depth of its productive system. Its consumer market is supported by relatively high household purchasing power, while its capital markets finance businesses across the world. The dollar's role in international trade, reserves and financial transactions gives the United States an influence that extends beyond the size of its domestic economy.Technology is a major source of competitive strength. American companies occupy leading positions in software, cloud computing, artificial intelligence, semiconductors, digital advertising, biotechnology and advanced services. The country's research universities, venture-capital ecosystem and ability to attract skilled workers help turn scientific discoveries into commercial products.

confidence and long-term growth. Maintaining productivity and ensuring that technological gains translate into broad-based prosperity will be important tests.

China: Manufacturing Scale and Structural Rebalancing

China's rise from a lower-income economy to a global industrial power is one of the defining economic transformations of recent decades. Its manufacturing capacity spans electronics, machinery, steel, chemicals, consumer goods, electric vehicles, batteries and renewable-energy equipment. Extensive transport infrastructure and supplier networks allow firms to produce at scale and serve international markets.

The next stage is more complex. China is working through property-sector adjustment, weak household confidence in some areas, local-government financial pressures and a changing demographic profile. Policymakers have emphasised advanced manufacturing, innovation and domestic demand, while seeking to manage trade tensions and restrictions affecting access to selected technologies.

China's position as the world's second-largest nominal economy gives it major influence over commodity demand, industrial pricing, trade flows and investment. Its growth trajectory will depend not only on exports and industrial investment but also on whether households become a stronger and more dependable source of demand.

Europe's Economic Pillars: Germany, the UK, France and Italy

Europe remains a major centre of global economic activity, but its leading economies have different strengths. Germany's industrial base is closely connected to global manufacturing supply chains. Its engineering, automotive, chemicals and capital-goods companies have long competed on quality and technical expertise. The transition to electric mobility, digital production and lower-carbon industry requires substantial investment and adaptation.

The United Kingdom has a different economic structure, with a large services sector and international strengths in finance, insurance, legal services, education, pharmaceuticals and creative industries. London's global connectivity remains an asset, but the country must address weak productivity growth and uneven regional development.

France combines advanced manufacturing with globally recognised businesses in aerospace, luxury goods, energy, agriculture and tourism. Its economic performance is influenced by public spending, labour-market policy, fiscal choices and its ability to sustain private investment.

Italy's industrial districts are particularly important. Small and medium-sized manufacturers produce specialised machinery, fashion, food products, furniture and design-led goods for global markets. The challenge is to translate this industrial quality into stronger productivity and faster aggregate growth while managing demographic pressures and public debt.

Together, these economies demonstrate that advanced economic power is not based on size alone. Institutions, skills, technology, infrastructure, export specialisation and the ability to move into higher-value activities are equally important.

Japan: Technology, Capital and Demographic Pressure

Japan remains one of the world's most technologically sophisticated economies. Its companies are important in automobiles, robotics, industrial automation, semiconductor materials, precision equipment, chemicals and advanced components. Japanese firms are deeply embedded in international manufacturing networks, often supplying specialised products that are difficult to replace quickly.

The country's most persistent structural challenge is demographic. An ageing population and a shrinking workforce increase pressure on public finances, healthcare systems and labour supply. Automation, higher labour-force participation, immigration policy choices and productivity-enhancing investment can help offset these pressures, but the adjustment is long term.

Japan's economic influence also comes from its accumulated capital, international investment and role in global finance. Its future competitiveness will depend on sustaining innovation while adapting business practices, energy systems and labour markets to a changing population.

India: The Emerging Growth Engine

India's sixth-place position in the 2026 nominal GDP ranking places it among the world's largest economies. The IMF's October 2026 estimates put nominal GDP at approximately US$4.06 trillion. India is also projected to record stronger real growth than most of the other economies in the top ten, reflecting domestic demand, investment and the expansion of services and selected manufacturing industries.

The services sector is a major source of strength. Information technology, business-process services, financial services, telecommunications, professional services and digital platforms connect Indian businesses with global markets. A large English-speaking talent pool and growing digital infrastructure have helped the country build a strong position in technology-enabled services.

Manufacturing is a strategic priority. Initiatives to expand electronics, pharmaceuticals, automobiles, defence production, renewable-energy equipment and semiconductors aim to deepen domestic value chains and attract investment. Success will depend on reliable power, logistics, skills, technology, access to finance and predictable regulation. Small and medium enterprises must be integrated into supply chains rather than left behind by large-scale industrial expansion.

India's challenges remain substantial. GDP per capita is much lower than that of advanced economies, and aggregate growth must translate into productive employment and rising household incomes. Education quality, vocational training, health, women's workforce participation, agricultural productivity, urban planning and environmental sustainability will influence the quality of future growth.

India's global role is also changing through trade partnerships, digital services, diaspora networks, participation in multilateral institutions and engagement with both advanced and emerging economies. Its economic rise will be most durable if it combines domestic reform with openness to investment, technology and international commerce.

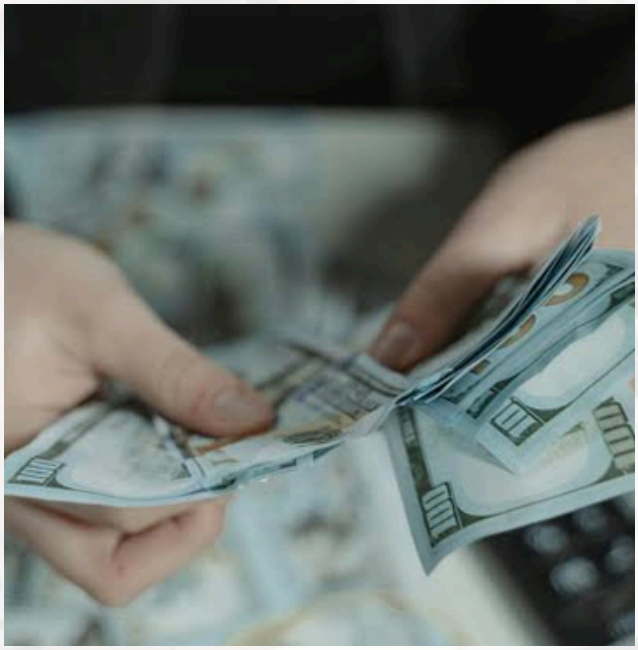
Russia and Brazil: Resource Strength and Economic Diversification

Russia and Brazil illustrate two different ways in which natural resources can support large economies. Russia is a major producer of oil, gas, metals and other commodities. These sectors provide export earnings and government revenue, but reliance on resource industries can expose the economy to price volatility, sanctions and changing global demand. Diversification into competitive civilian manufacturing, technology and services remains difficult under geopolitical and investment constraints.

Brazil has a broad agricultural and resource base, including soybeans, iron ore, oil, meat, sugar and other commodities. It is also an important producer of aircraft, vehicles, machinery and industrial goods. Its large consumer market gives businesses opportunities to grow domestically, while agricultural exports connect the country to global food security.

For Brazil, the central challenge is to raise productivity and improve infrastructure, education and fiscal stability. For Russia, the challenge includes adapting to restricted access to some markets and technologies while reducing dependence on a narrow group of export sectors. In both cases, resource wealth is an asset only when it supports long-term investment and broad-based development.

Nominal GDP vs Purchasing Power Parity: Why the Rankings Change



Nominal GDP and purchasing power parity (PPP) answer different questions. Nominal GDP converts domestic output into US dollars at market exchange rates. It is useful for comparing international financial scale, cross-border investment capacity and the value of output measured at prevailing currency prices.

PPP adjusts for differences in the prices of goods and services between countries. A dollar-equivalent amount can buy more locally in some economies than in others. PPP is therefore useful for comparing the volume of goods and services produced and for assessing living standards and domestic purchasing power, although it is not a measure of how much foreign currency a country can spend internationally.

The distinction changes the 2026 ranking significantly. On the IMF's PPP measure, China is first, the United States second and India third. India moves from sixth in nominal GDP to third in PPP GDP, while Indonesia also rises sharply in the broader global ranking. This reflects lower average price levels and the scale of domestic production in emerging economies.

Neither measure is universally superior. Nominal GDP is often more relevant when assessing a country's ability to import goods, service foreign-currency debt or invest abroad. PPP is more informative when comparing the real volume of domestic output and purchasing power. Serious economic analysis should state which measure is being used and avoid mixing the two.

What the Rankings Do Not Tell Us



A GDP ranking is a measure of economic size, not a complete scorecard of national wellbeing. It does not show how income is distributed, whether households can afford housing, how productive workers are, or whether growth is environmentally sustainable. It also does not directly measure public health, education quality, institutional trust or economic security.

Population matters. A country with a very large population can have a high total GDP while its average income remains modest. GDP per capita provides a rougher measure of average output per person, but even this can conceal inequality and differences in public services. Productivity—the amount of value created per worker or hour—is crucial for raising wages and living standards over time.

Currency movements also matter for nominal rankings. If a country's currency depreciates against the US dollar, its GDP measured in dollars may fall even if domestic output continues to expand. Conversely, currency appreciation can lift the dollar value of GDP without an equivalent increase in real production. This is one reason rankings should be treated as estimates rather than permanent positions.

Finally, economic resilience matters. A country may have a large economy but remain exposed to energy imports, concentrated supply chains, financial instability, climate risks or geopolitical shocks. Diversification, strong institutions and the ability to adapt can be as important as headline GDP.

The Next Contest: Technology, Trade and the Emerging-Market Opportunity



The next decade of economic competition will be shaped by technology and productivity. Artificial intelligence, robotics, advanced materials, biotechnology, clean energy and semiconductor capabilities are likely to influence the competitiveness of countries and companies. Economies that invest in research, education, infrastructure and commercial innovation may capture a larger share of future value.

Trade patterns are also changing. Businesses are reassessing supply-chain concentration and considering resilience alongside cost. This creates opportunities for countries that can offer stable policies, skilled labour, efficient logistics and access to major markets. India, Indonesia, Vietnam, Mexico and other emerging economies may benefit from investment diversification, although the gains will depend on domestic capacity and global conditions.

Climate and energy policy will influence industrial competitiveness. Reliable and affordable electricity,

, clean-energy deployment, critical-mineral supply chains and efficient transport systems will affect where companies invest. Countries that can combine energy security with lower emissions may gain an advantage as global standards and customer expectations evolve.

The leading economies will also face common challenges: ageing populations, public debt, inequality, cyber risks, climate adaptation and the need to finance infrastructure. The countries that respond effectively will not necessarily be those with the largest GDP today, but those that build adaptable institutions and productive capabilities for tomorrow.

Conclusion: Economic Leadership Is About More Than Size

The 2026 ranking confirms the continued dominance of the United States and China, the importance of Europe's advanced industrial economies and Japan, and the growing weight of India and other emerging markets. The top ten together represent a major share of global output, but their economic models and challenges are very different.

India's sixth-place nominal ranking and third-place PPP position capture the changing geography of global economic power. Its long-term rise will depend on productivity, skills, investment, infrastructure, innovation and the creation of quality employment. Other emerging markets also have opportunities to move up the value chain, while advanced economies must renew their competitive strengths in technology and industry.

Ultimately, the global economic order will not be determined by a single ranking. It will be shaped by the ability of countries to create productive jobs, improve living standards, manage risks, develop technology and participate successfully in international trade. GDP measures the size of the economic engine; the quality of its institutions and the opportunities it creates determine how well that engine serves its people.



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Where the Next Wave of Growth, Investment and International Partnerships Is Emerging

Introduction

Opportunity in a Changing World



Global business is entering a period in which opportunity and uncertainty are advancing together. Technology is changing how products are designed and delivered; governments are reassessing supply-chain dependencies; consumers are demanding cleaner, faster and more personalised services; and companies are looking beyond traditional markets for growth. These shifts are creating new openings for entrepreneurs, investors, manufacturers and professional service providers.

The global economy is not expanding evenly. The International Monetary Fund's October 2026 World Economic Outlook projects global growth of 3.1 per cent in 2026 and 3.4 per cent in 2027, while warning that geopolitical tensions, trade uncertainty, energy costs and financial vulnerabilities could weigh on activity. At the same time, investment in artificial intelligence and technology-related infrastructure is supporting demand in several economies. The message for businesses is clear: growth remains possible, but success will depend on adaptability, sound risk management and the ability to identify sectors with durable demand.

For Indian businesses, this environment presents a significant opportunity. India's large domestic market, skilled workforce, expanding digital ecosystem, manufacturing ambitions and international trade engagement can help enterprises participate in global value chains. However, global opportunity is not simply about exporting more. It is about building competitive products, dependable services, trusted partnerships and the operational capacity to serve customers across borders.

Artificial Intelligence, Data Centres and Digital Infrastructure



Artificial intelligence has moved from experimentation into commercial deployment. Businesses are using AI to support customer service, software development, document processing, forecasting, quality control, fraud detection and logistics. The opportunity extends beyond companies that build advanced models. It includes cloud services, data-centre operations, cybersecurity, data engineering, systems integration, specialised consulting, training and maintenance.

The expansion of AI requires physical infrastructure: reliable electricity, cooling systems, fibre connectivity, servers, semiconductors, storage and secure facilities. UN Trade and Development's World Investment Report 2026 identifies AI-related digital infrastructure among the major areas attracting international investment. For suppliers, this creates opportunities in electrical equipment, precision components, cooling technology, construction, facility management and energy services.

Indian technology firms and MSMEs can participate by developing sector-specific applications rather than trying to compete at every level of the technology stack. Practical solutions for hospitals, manufacturers, banks, schools, retailers and logistics operators may create measurable value. Businesses should, however, protect customer data, establish human oversight and test systems for accuracy, security and bias. The commercial test is not whether a solution uses AI, but whether it improves productivity, quality, speed or customer experience.

Renewable Energy, Storage and the Energy Transition



Energy security has become a strategic business priority. Companies and governments are seeking reliable, affordable and lower-emission sources of power while managing exposure to volatile fuel prices and supply disruptions. This is expanding opportunities in solar and wind generation, battery storage, grid modernisation, energy-efficiency services, green buildings, electric mobility, charging infrastructure and industrial electrification.

The transition creates opportunities across the supply chain. These include equipment manufacturing, installation, project engineering, testing, operations and maintenance, recycling, software for energy management and specialised finance. MSMEs can serve as component suppliers, contractors, service partners and technology integrators. Industrial units can also reduce operating costs by improving energy efficiency and adopting suitable renewable-energy solutions.

Hydrogen, carbon capture and other emerging technologies may develop into important markets, but their commercial viability varies by application, location and policy framework. Investors should assess the cost of production, availability of infrastructure, customer demand, regulatory approvals and long-term offtake arrangements before committing capital. The strongest near-term opportunities are often found in solutions that already address measurable energy costs or reliability problems.

Advanced Manufacturing and Resilient Supply Chains

Global manufacturers are reviewing where they source, assemble and distribute products. Recent disruptions have encouraged companies to diversify suppliers, build inventory resilience and reduce dependence on single locations. This creates openings for countries and businesses able to provide consistent quality, competitive costs, reliable logistics and predictable delivery.
India can seek a larger role in electronics, electrical equipment, automotive components, engineering goods, pharmaceuticals, medical devices, defence-related manufacturing, textiles, food processing and industrial machinery. The opportunity is not limited to large factories. Smaller enterprises can supply precision parts, packaging, tooling, testing, maintenance, industrial software and logistics services.

To become a credible global supplier, an enterprise must meet buyer specifications, maintain traceability, demonstrate quality systems and deliver consistently. Certifications, product testing, environmental and labour compliance, cybersecurity and transparent documentation are increasingly important. Businesses should map the requirements of target markets before investing in capacity. A supplier-development approach—working with larger manufacturers, export councils and technical institutions—can help MSMEs close capability gaps and move from low-margin subcontracting to higher-value participation.

Healthcare, Pharmaceuticals and Medical Technology



Healthcare demand is being reshaped by ageing populations, rising incomes, chronic diseases, digital delivery and the need for more accessible care. Opportunities span generic medicines, active pharmaceutical ingredients, contract research and manufacturing, diagnostics, medical devices, hospital equipment, telemedicine, health software, rehabilitation products and specialised services.

India has an established pharmaceutical and healthcare services base, but global expansion requires strict attention to product quality, regulatory approvals, clinical evidence, data protection and supply-chain integrity. Medical technology companies must understand the standards and registration processes of each destination market. A product that is commercially successful in one country may require redesign, testing or additional approvals elsewhere.
Digital health offers opportunities in appointment management, remote monitoring, diagnostic support and hospital administration. These solutions must be designed around patient safety, privacy and clinical accountability. Partnerships with hospitals, universities, distributors and local healthcare providers can help companies understand market needs and build trust. In this sector, credibility and compliance are not administrative burdens; they are central elements of the business model.

Food Processing, Agritech and Global Consumer Markets



Food systems face the combined pressures of population growth, climate variability, changing diets, food safety requirements and the need to reduce waste. These challenges create business opportunities in food processing, cold chains, storage, precision agriculture, irrigation technology, farm advisory services, traceability, packaging, testing and international distribution.

India's agricultural diversity can support exports of processed foods, spices, cereals, beverages, ready-to-eat products, marine products and value-added ingredients. Yet international buyers expect consistent quality, reliable volumes, residue compliance, clear labelling and dependable delivery. Exporters must understand sanitary and phytosanitary requirements, packaging rules, shelf-life expectations and the documentation applicable to each market.

Agritech companies can help farmers and processors improve productivity through data-enabled advisory, weather information, soil monitoring, market linkages and efficient use of water and inputs. The most scalable solutions are those that address a real problem and can be adopted affordably. Collaboration among farmers, producer organisations, processors, logistics providers and exporters can create integrated value chains that retain more value within producing regions.

Education, Skills and Professional Services



The global demand for skills is changing as automation, digitalisation, regulatory complexity and new business models reshape occupations. This creates opportunities in online education, vocational training, corporate learning, language services, professional certification support, executive education, recruitment, accounting, audit, taxation, legal process support and business consulting.

Indian service providers can serve international clients through remote delivery, specialised knowledge and cost-effective operations. Areas such as finance and accounting support, data analytics, software services, engineering design, compliance assistance and business-process management offer potential for firms with strong quality controls and data-security practices.

Education providers can build partnerships with overseas institutions and employers to deliver industry-linked programmes. The priority should be employability and demonstrable competence rather than credentials alone. Training in AI literacy, cybersecurity, advanced manufacturing, renewable energy, export documentation and international compliance can help workers and enterprises respond to changing demand. Professional services firms should also understand licensing, professional recognition, taxation and data-transfer requirements in the markets they intend to serve.

Critical Minerals, Circular Economy and Recycling



The expansion of electric mobility, renewable power, electronics and advanced manufacturing is increasing the strategic importance of minerals and materials such as lithium, copper, nickel, graphite and rare earth elements. This creates opportunities in responsible mining, mineral processing, refining, materials engineering, recycling and recovery of valuable components.

A related opportunity lies in the circular economy. Businesses can recover materials from used batteries, electronic waste, industrial scrap, packaging and end-of-life equipment. Repair, refurbishment, remanufacturing and product-life extension can also reduce waste while creating new revenue streams. These activities require appropriate technology, environmental safeguards, worker protection and traceable material handling.

Investors should distinguish between announced demand and commercially bankable projects. Mineral markets can be volatile, projects may face lengthy approvals, and processing capacity requires substantial technical expertise. Companies entering this field need strong environmental, social and governance practices and must comply with waste-management and product-stewardship rules in each jurisdiction.

Where to Look: Markets and Partnership Models



There is no single market that suits every enterprise. North America offers a large customer base and advanced technology ecosystems, but competition and compliance requirements can be demanding. Europe presents opportunities in industrial technology, sustainability, healthcare, specialised manufacturing and professional services, alongside rigorous product and data rules. The Gulf region is investing in infrastructure, logistics, energy, tourism, digital services and food security. Southeast Asia offers opportunities in manufacturing networks, consumer markets, digital services and regional distribution. Africa presents long-term potential in infrastructure, agriculture, healthcare, education, energy and consumer goods, although country conditions and payment risks vary widely.

Businesses should avoid treating regions as uniform markets. They should select specific countries, customer segments and distribution channels after assessing demand, tariffs, standards, local competition, political and currency risks, payment practices and ease of doing business.

Partnerships can accelerate entry. Options include distributors, agents, joint ventures, contract manufacturing, licensing, technology collaboration, franchising and strategic alliances. Each model has different implications for control, capital, intellectual property, liability and profit sharing. Written agreements should define territory, exclusivity, performance obligations, payment terms, dispute resolution, confidentiality and termination rights. Due diligence on partners is essential.

Turning Opportunity into a Bankable Business



A promising sector is not automatically a viable business. Before entering a new market, management should test the opportunity through a structured process:

- Define the customer problem and confirm willingness to pay.
- Identify target countries and estimate the addressable market using credible data.
- Study tariffs, product standards, licences, tax rules and import restrictions.
- Compare competitors on quality, price, service, delivery and brand position.
- Calculate the full landed cost, including freight, insurance, duties, commissions, returns and after-sales support.
- Assess working-capital requirements, payment cycles, currency exposure and financing options.
- Protect intellectual property, customer data, designs and confidential information.
- Pilot with a limited number of customers before committing to large-scale capacity.

The Risks Businesses Must Not Ignore





The opportunity landscape is accompanied by real risks. Geopolitical tensions can disrupt routes, energy supplies and market access. Tariff changes and new technical regulations can alter the economics of a contract. Cyberattacks can interrupt operations or expose sensitive data. Currency volatility, delayed payments and high financing costs can weaken cash flow. Climate events can damage facilities, crops and logistics networks.

The IMF's October 2026 outlook highlights downside risks from conflict escalation, renewed trade tensions, fiscal vulnerabilities and a possible reassessment of AI investment expectations.

UNCTAD's investment analysis also points to the concentration of international investment in a relatively small number of economies and strategic sectors. These findings underline the need for disciplined investment decisions.

Companies should diversify suppliers and customers where practical, maintain business-continuity plans, review insurance, strengthen cybersecurity and monitor regulatory changes. Diversification should be commercially sensible rather than pursued for its own sake. A resilient business is not one that avoids every risk; it is one that understands its exposures and has the financial and operational capacity to respond.

Conclusion: Competing Globally Through Capability and Trust

Global business opportunities in 2026 are being shaped by technology, energy security, supply-chain restructuring, healthcare needs, food systems, exporters, service providers and partners in international value chains.

The next phase of globalisation may be more selective and more regional in some sectors, but cross-border commerce remains important. Businesses that combine innovation with quality, compliance, responsible practices and dependable partnerships will be better placed to compete. For India, the task is to translate its talent, enterprise and market potential into products and services that earn international confidence.

Opportunity belongs not simply to those who identify a growing sector, but to those who understand customers, execute consistently and build relationships that last. In a changing world economy, competitiveness will be measured by the ability to create value across borders—responsibly, efficiently and sustainably.



CMA Lakshman

Editorial Bord Member - The Worldonomics Times

India's Msme Policy & Scheme Updates – 2026

New Legal Reforms, Credit Guarantees, Market Access, Digital Enablement and Entrepreneurship Support

Introduction: MSMEs at the Centre of India's Growth Strategy



Micro, Small and Medium Enterprises (MSMEs) are central to India's manufacturing capacity, services economy, exports, employment generation and regional development. Their policy needs are interconnected: affordable and timely credit, predictable regulation, timely payments, access to government and private markets, technology adoption, skilled manpower and the ability to compete in domestic and global supply chains.

The policy landscape in 2026 has seen important developments. Parliament has passed amendments to the MSME legal framework; the Government has expanded digital routes for invoice financing; credit-guarantee mechanisms and employment-generation support continue to evolve; and initiatives such as TEAM, ZED, LEAN, PM Vishwakarma and public procurement programmes are intended to improve competitiveness and market access.

This article summarises selected official developments and ongoing schemes relevant to Indian MSMEs as of 14 November 2026. It is an editorial guide, not a substitute for the Act, rules, scheme guidelines, bank sanction terms or individual notifications. Readers should check the linked primary source for the latest eligibility criteria, application windows and operational conditions.

MSMED (Amendment) Act, 2026: Legal Framework Moves Towards Modernisation

A major development for the sector is the Micro, Small and Medium Enterprises Development (Amendment) Bill, 2026, passed by Parliament in August 2026.

The Government's official backgrounder explains that the amendments seek to update the MSMED Act, 2006 to reflect the scale, digital reach and changing business models of today's MSME ecosystem. The reform agenda includes a more flexible approach to registration, stronger payment-related provisions and time-bound dispute-resolution mechanisms.

One important feature described in the official backgrounder is the use of both investment and turnover parameters for MSME classification. The stated objective is to align recognition with the size and economic activity of an enterprise. The amendment also provides for a national platform for filing the MSME memorandum, with filing described as free and voluntary for all MSMEs; States may notify their own digital platforms and extend relevant State scheme benefits to enterprises registered on those platforms.

The amendment's provisions concerning Trade Receivables Discounting System (TReDS) are particularly relevant to delayed payments. The backgrounder states that Central Public Sector Enterprises (CPSEs) are required to settle invoices for goods and services procured from MSMEs through TReDS, while States may require their public-sector entities and authorities to use the platform. Businesses should review the enacted legislation and commencement notifications to identify when and how each provision applies.

Official source: PIB backgrounder – MSMED (Amendment) Bill, 2026
Official source: Ministry of MSME – official website and Acts / orders

CGTMSE: Collateral-Free Credit Guarantee and Higher Guarantee Ceiling



Access to finance remains one of the most important constraints for micro and small businesses. The Ministry of MSME implements the Credit Guarantee Scheme (CGS) through the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE). The scheme is designed to encourage eligible lending institutions to extend credit to MSEs without insisting on collateral security or third-party guarantees, subject to the scheme's conditions and guarantee coverage.

In an official reply dated 23 July 2026, the Ministry stated that the guarantee ceiling had been enhanced from ₹5 crore to ₹10 crore with effect from 1 April 2025. It also reported a revised Annual Guarantee Fee structure, with a 50% reduction in the standard rate to as low as 0.37% per annum, depending on applicable categories and conditions. The Ministry further referred to enhanced guarantee support for specified special categories, including women-led MSEs.

The same official response notes that, under the RBI's Master Direction on Lending to the MSME Sector dated 9 February 2026, scheduled commercial banks are mandated not to accept collateral security for loans up to ₹20 lakh extended to units in the MSE sector. Borrowers should distinguish between the bank's lending rules and CGTMSE's guarantee arrangement: the guarantee is a risk-sharing mechanism for lenders, not a subsidy paid directly to the borrower. Loan approval, pricing and repayment remain subject to appraisal.

Official source: PIB – Ministry's update on Credit Guarantee Scheme and CGTMSE (23 July 2026)
Official source: CGTMSE – scheme details, eligibility and member lending institutions

CGTMSE Guarantee Cover on TReDS: Invoice Financing Gets a Digital Boost



A significant working-capital development was announced on 25 September 2026, when the Ministry of MSME confirmed that CGTMSE guarantee cover had gone live on the TReDS platforms M1xchange, RXIL and DTX (KredX). The integration follows the Union Budget 2026–27 announcement on extending credit-guarantee support to invoice discounting on TReDS.

TReDS enables MSE suppliers to obtain early payment against accepted invoices raised on corporate buyers, Government Departments and Public Sector Undertakings. Instead of waiting for the buyer's payment cycle, a seller can submit an eligible receivable for competitive discounting by financiers. The CGTMSE integration is intended to reduce the credit risk borne by financiers and support faster access to working capital.

The PIB release describes guarantee cover of 75% of the amount in default, subject to stated limits: maximum exposure of ₹10 crore for an MSE buyer and ₹2 crore for an MSE seller on a revolving basis. The release also specifies eligibility conditions, including that both buyer and seller must be Micro or Small Enterprises for the described arrangement. Businesses should read the platform and scheme terms carefully, as not every invoice or transaction will automatically qualify.

For MSMEs, the practical step is to ask buyers whether they are onboarded on a TReDS platform, ensure invoices and purchase orders are accurate, and discuss eligibility with the platform and financier. Large buyers and public procurement teams should examine how faster invoice acceptance and financing can improve supplier resilience.

Official source: PIB – CGTMSE guarantee cover goes live on TReDS (25 September 2026)
Official source: RBI – TReDS regulatory framework and payment-system information

PMEGP: ₹1,000 Crore Margin-Money Subsidy Released



The Prime Minister's Employment Generation Programme (PMEGP) remains a major credit-linked subsidy programme for establishing new micro-enterprises in the non-farm sector. On 28 October 2026, the Ministry of MSME announced the release of ₹1,000 crore in margin-money subsidy to support 11,333 new micro-enterprises. The associated bank-sanctioned project loans were reported at approximately ₹3,260 crore, with the supported projects expected to generate more than 1.02 lakh employment opportunities.

The Ministry's release reported that, since FY 2014–15, PMEGP had facilitated the establishment of more than 8.38 lakh micro-enterprises through bank-sanctioned loans exceeding ₹70,000 crore and

margin-money subsidy of over ₹25,193 crore. It also highlighted the programme's reach in rural areas and participation by women and socially disadvantaged communities.

PMEGP support is linked to bank-financed projects and is subject to eligibility, project appraisal, prescribed contribution, subsidy adjustment and other scheme rules. Applicants should not assume that the subsidy is an upfront cash payment to spend freely. The business proposal should demonstrate demand, technical feasibility, working-capital needs, employment potential and capacity to service the bank loan.

Official source: PIB – ₹1,000 crore PMEGP margin-money subsidy release (28 October 2026)
Official source: PMEGP e-Portal – application and scheme information

TEAM Initiative and ONDC: Digital Market Access for Small Businesses



The MSME Trade Enablement and Marketing (TEAM) initiative is designed to help micro and small enterprises participate in digital commerce through the Open Network for Digital Commerce (ONDC). The initiative operates under the Raising and Accelerating MSME Performance (RAMP) programme and is intended to help smaller businesses improve online discoverability, reach new buyers and expand beyond their immediate geographical markets.

A PIB policy update published in October 2026 highlighted the TEAM initiative as part of the Government's market-access support for women-owned MSEs. It reported that 1,700 women-owned MSEs had been registered under the initiative up to FY 2025–26. The broader policy approach includes support for onboarding, digital cataloguing and connecting enterprises to online demand.

Digital onboarding alone does not guarantee sales. An enterprise must maintain accurate product information, consistent quality, competitive pricing, packaging standards, inventory discipline, customer service and reliable fulfilment. MSMEs should assess platform fees, logistics costs, returns and settlement timelines before expanding online. The objective should be profitable and repeatable digital sales, not merely registration.

Official source: PIB – Market access and TEAM initiative information
Official source: ONDC – seller network and participant information
Official source: RAMP – Ministry of MSME programme information

Public Procurement Policy and GeM: Government as a Market for MSEs



Government procurement can provide a stable and significant market for capable small businesses. The Public Procurement Policy for Micro and Small Enterprises provides a framework for Central Ministries, Departments and Central Public Sector Enterprises to source a prescribed share of annual procurement from MSEs. The policy includes sub-targets for enterprises owned by SC/ST entrepreneurs and women, subject to the applicable rules and definitions.

The Government e-Marketplace (GeM) provides a digital platform through which government buyers can procure goods and services from registered sellers. Initiatives such as Womaniya seek to improve the visibility of women-owned MSEs and self-help groups. The Ministry's October 2026 policy communication reported more than 2.17 lakh women-owned MSEs registered on GeM by July 2026 and contract value exceeding ₹28,000 crore for women MSEs in FY 2025–26.

For an MSE seeking government orders, registration is only the first step. Sellers should identify relevant product and service categories, maintain tax and statutory documents, study specifications, quote realistic prices and understand bid security, performance security, delivery, inspection and payment terms. Firms should also monitor corrigenda and tender amendments and avoid relying on unofficial intermediaries promising guaranteed government orders.

Official source: GeM – Government e-Marketplace
Official source: MSME Sambandh – public procurement monitoring
Official source: PIB – women's market access, Womaniya and TEAM initiative

PM Vishwakarma: Support for Traditional Artisans and Craftspeople



PM Vishwakarma is a Central Sector Scheme launched to provide integrated support to traditional artisans and craftspeople working in 18 notified trades. Its assistance framework includes recognition through a certificate and identity card, skill upgradation, toolkit incentives, concessional credit, incentives for digital transactions and marketing support.

A PIB backgrounder dated 16 September 2026 reported that the scheme had achieved its registration target of 30 lakh beneficiaries. It also described the connection of beneficiaries with Udyam Assist, GeM, e-commerce channels, trade fairs and exhibitions. Basic training is generally structured for 5–7 days and advanced training for 15 days or more, with a training stipend as prescribed under the scheme.

The scheme is relevant to artisans seeking to upgrade tools, improve product quality and access new markets. Beneficiaries should use the official portal and authorised facilitation channels, verify the notified trade list and eligibility requirements, and be cautious of agents demanding unofficial payments.
Official source: PIB – PM Vishwakarma progress and scheme components (16 September 2026)
Official source: PM Vishwakarma – official portal

Udyam Registration and Udyam Assist: Formal Recognition for Enterprises



Udyam Registration is the Government's online mechanism for formal recognition of eligible MSMEs. The Ministry describes the process as online, paperless and based on self-declaration, with no registration fee on the official portal. Udyam Assist complements the registration ecosystem by helping bring certain informal micro enterprises into a formal recognition framework through authorised channels.

Formal recognition can help enterprises access applicable government schemes, procurement opportunities, priority-sector lending benefits and delayed-payment protections, subject to the relevant scheme and legal conditions. Enterprises should ensure that their activity, investment and turnover information is accurate and updated when required. Registration should be completed only through the official Government portal; businesses should avoid look-alike websites and paid agents claiming to issue government certificates.

Official source: Udyam Registration – official Government portal
Official source: Ministry of MSME – Udyam and scheme information

ZED and LEAN: Quality, Productivity and Competitiveness

Technology adoption and process improvement are essential if MSMEs are to become reliable suppliers to larger companies and international markets. The Zero Defect Zero Effect (ZED) certification initiative encourages enterprises to improve product quality while reducing environmental impact. The MSME Competitive (LEAN) scheme promotes the adoption of lean manufacturing principles to reduce waste, improve productivity, strengthen workplace organisation and optimise processes.

These programmes are particularly relevant for manufacturing units that want to improve

consistency, reduce rejection rates, control costs and meet buyer expectations. Enterprises should review the current scheme guidelines, certification levels, eligible expenses, assessment process and support available before engaging consultants or making payments. Certification should be treated as part of a measurable improvement programme, not simply as a logo for marketing.

Official source: MSME Sustainable (ZED) Certification
Official source: MSME Competitive (LEAN) Scheme

National SC-ST Hub: Supplier Development and Inclusive Entrepreneurship

The National SC-ST Hub (NSSH), implemented by the Ministry of MSME through the National Small Industries Corporation (NSIC), is intended to build the capacity of SC/ST entrepreneurs and improve their participation in public procurement and supply chains. Support areas include vendor development, capacity building, market linkage, awareness of procurement opportunities and assistance for enterprise competitiveness, in accordance with programme guidelines.

SC/ST-owned MSEs interested in supplying to Central Ministries, Departments and CPSEs should review the applicable procurement policy, registration requirements, tender conditions and NSSH support channels. A business should build its technical capability, product certifications, financial capacity and delivery record alongside scheme participation.

Official source: National SC-ST Hub – NSIC
Official source: NSIC – schemes and services

What MSMEs Should Prioritise in the Next 90 Days

- Verify Udyam details and keep enterprise, GST, PAN, bank and contact information consistent across official records.
- Review borrowing requirements and speak to banks about CGTMSE-backed facilities, collateral rules, pricing, repayment schedules and working-capital limits.
- Map outstanding invoices and assess whether eligible receivables can be discounted through an RBI-regulated TReDS platform.
- Prepare a bankable project report before applying for PMEGP or other credit-linked support; check the current application window and eligibility.
- Register on GeM only after identifying relevant categories, tender requirements and the enterprise's ability to deliver.
- Evaluate ONDC/TEAM onboarding as a business channel, with a clear plan for catalogue quality, fulfilment, returns and customer service.
- Assess ZED and LEAN as operational improvement tools with measurable targets for quality, waste, productivity and energy use.
- Track the MSMED Amendment Act, 2026 and related commencement notifications, rules and official guidance before changing contractual or compliance practices.

Conclusion: From Scheme Awareness to Enterprise Transformation

The direction of India's MSME policy in 2026 is increasingly focused on building stronger, more formal, better-financed and market-connected enterprises. The MSMED legal reforms address the framework for recognition, payments and dispute resolution. CGTMSE and TReDS seek to improve access to credit and liquidity. PMEGP supports new micro-enterprises, while TEAM and GeM expand routes to buyers. PM Vishwakarma, NSSH, ZED and LEAN address skills, inclusion, quality and productivity.For entrepreneurs, the most important lesson is that government support works best when combined with sound business fundamentals. A registered enterprise still needs reliable accounts, tax compliance, quality products, capable employees, realistic pricing and disciplined cash-flow management. MSMEs should identify the scheme that fits their actual business need, read the official guidelines and use authorised portals.

India's next phase of industrial growth will depend not only on the number of enterprises registered, but on how many can scale, innovate, export, adopt technology and become dependable participants in national and global value chains. The Worldonomics Times will continue to follow MSME policy developments and explain their practical implications for entrepreneurs, professionals and industry stakeholders.

Editorial note: This article is an informational summary based on official Government and institutional sources available up to 14 November 2026. Scheme conditions, eligibility, funding limits, dates and implementation details may change. Readers should verify the latest official notification and obtain professional advice before acting.



CMA Madhuri Kashyap

Elected Professional Leader, Institutional Representative & Finance Expert

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड
(भारत सरकार का उपक्रम)
Housing & Urban Development Corporation Limited
(A Government of India Enterprise)

एम नागराज
निदेशक (कॉरपोरेट प्लानिंग)
M. NAGARAJ
Director (Corporate Planning)



MESSAGE

Dear Shri Sandeep Kumar,

I extend my warmest congratulations to you on the impending launch of Global Finance and Economics Magazine: The Worldonomics Times on May 5th! This milestone marks the beginning of what promises to be an exciting journey in the realm of global finance and economics journalism.

As our world becomes increasingly interconnected, the need for a comprehensive and insightful resource in the field of finance and economics has never been greater. Your magazine's dedication to providing a platform for experts to share their insights is commendable and much needed in today's complex economic landscape.

I have no doubt that The Worldonomics Times will quickly establish itself as a key resource for policymakers, industry professionals, academics, and anyone with a keen interest in understanding the intricacies of global finance and economics. Your commitment to delivering high-quality, well-researched content will undoubtedly set a new standard in the industry.

I eagerly anticipate the inaugural issue and look forward to the valuable contributions and perspectives that The Worldonomics Times will bring to the forefront of economic discourse.

Once again, congratulations on this significant achievement, and I wish you all the best for a successful launch and a prosperous future ahead.

(CMA - M. NAGARAJ)

एच.ई.सी.
ISO 9001:2008 Company
Rajesh Kumar Dwivedi
Director (Finance)

स्वच्छ भारत
एक कदम स्वच्छता की ओर

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MESSAGE

Dear Shri Sandeep Kumar,

I take this opportunity to heartily congratulate you on publishing "The Worldonomics Times", which I really feel is a hands-on treasure of useful information.

Today's world is rapidly changing and inter-woven with diverse complexities. In such a global environment, authentic and timely information is a powerful tool which I am sure will be always provided by "The worldonomics Times". I am sure, the adage that "*The Pen is mightier than the Sword*" will be once again be proven right with your magazine.

Congratulations, once again and my Best wishes for this wonderful knowledge endeavour!

(CMA Rajesh Kumar Dwivedi)

BLESSING SUPPORT



CMA Sanjay Jindal

Director Finance | Engineers India Limited

Dear Mr. Sandeep Kumar,
With the launch of The Worldonomics Times, professionals worldwide are poised to embark on a journey of enlightenment and empowerment. In today's fast-paced economic landscape, the need for up- to-date insights and innovative strategies is more crucial than ever. As Director (Finance), I recognize the significance of continuous learning and informed decision-making. This magazine promises to be a comprehensive resource, offering valuable insights and actionable strategies to navigate the challenges and opportunities ahead. The Worldonomics Times is not just a publication; it's a beacon of innovation in economic discourse. Through cutting-edge analysis, thought-provoking articles, and expert commentary, it will serve as
a trusted companion for professionals across various sectors. Leveraging the latest technologies, the magazine ensures accessibility and engagement for all readers, regardless of background or expertise. Beyond economics, The Worldonomics Times will explore intersections of finance with technology, sustainability, and social responsibility. By fostering dialogue and collaboration across diverse fields, it will inspire innovative solutions to global challenges. I am proud to be associated with this initiative, and I extend my deepest gratitude to the editorial team, contributors, partners, and supporters who have worked tirelessly to bring this vision to life. I offer my sincerest blessings to all those who will embark on this journey of enlightenment and empowerment, fueling innovation and success in the ever-evolving world of economics. Impressive Initiative! Best Wishes to you and your team for resounding success on this fantastic effort.



CMA Hrishikesh Kumar

Executive Director (Finance) | NBCC (India) Limited

Dear Shri Sandeep Kumar,
At the outset I would like to congratulate you for taking the initiative for publishing this magazine “The Worldonomics Times”. In this era of rapid changing economic environment vis-à-vis the pressure on business to sustain, the importance of seamless transfer of information and knowledge cannot be underestimated which I hope would be fulfilled by your magazine in future.I must say this is a great initiative by you and your team in this regard. All the est for your endeavor.



CMA Yogendra Prasad Shukla

Director Finance | HOCL - Hindustan Organic Chemicals Limited

Dear CMA Sandeep Kumar Ji,
I extend my heartfelt congratulations on the launch of "The Worldonomics Times." Your dedication to providing a platform for insightful economic knowledge is truly commendable. In today's- paced economic, the significance of facilitating the smooth flow of information and wisdom cannot be overstated, and I am confident that your magazine will excel in meeting this crucial need. Your initiative, alongside your team, is truly praiseworthy, and I foresee "great success for “The Worldonomics Times" in the days ahead. Your commitment to empowering minds through economic understanding is inspiring. Best regards.

BLESSING SUPPORT



CMA Yash Paul Bhola

Former Director (Finance)| NFL - National Fertilisers Limited

Dear INCOC Team Members,
I congratulate and appreciate the efforts by one and all in bringing out Global Finance and Economics Magazine, "The Worldonomics Times". This milestone marks the beginning of an exciting journey in the realm of global finance and economics journalism. As our world becomes increasingly interconnected, and regulatory framework is fast getting changed and updated, the need for a comprehensive magazine in finance field cannot be over emphasised. This magazine is dedicated to providing a platform for periodical up-dation of the developments across the globe and experts to share their insights. It is intended to establish itself as a key resource for policymakers, industry professionals, academics, and anyone with a keen interest in understanding global finance and economics. Once again, I congratulate and wish you all the best for a successful launch of the magazine and a prosperous future ahead.



CMA Gaurang Dixit

Former Chairman-cum-Managing Director |
NSIC - National Small Industries Corporation

Dear Shri Sandeep Kumar,
At the onset, I applaud the initiative of the 'International Navodaya Chamber of Commerce' to come out with a magazine 'The Worldonomics Times', which will provide the relevant information and knowledge to the all in this diverse global market. In the present complex business / economic scenario, the whole world market is like a field open for all players to play thereon. This global market is having abundant opportunities and to become a successful entrepreneur in such complex economic environment, the need for having relevant information and knowledge is of paramount significance. Your endeavour to come out with the magazine 'The Worldonomics Times' will certainly help to suffice this requirement. I must congratulate to you and your team for this endeavour. With best wishes.



CMA R C Gupta

Former Executive Director (Finance & Accounts)| GAIL (India) Ltd.

Dear Shri Sandeep Ji,
I have gone through the May 2024 issue of The Worldonomics Times and found it very informative. My heartfelt congratulations on the launch of a world class magazine in the area of Cost Management, Financial Management, Financial Planning, Taxation and World Economic Affairs. The coverage in the magazine is very wide & excellent and is based on the theme of Global Perspective with Local Relevance, in-depth data driven journalism and accessibility of the magazine in print as well as digital formats. It will empower the readers with well researched articles for ready reference, decision making & knowledge enhancement. I wish all the best to you and your team of International Navodaya Chamber of Commerce (INCOC) for bringing the magazine on regular basis with full of information of world economic affairs for use by all professionals. With Best regards.

BLESSING SUPPORT



Shri Jyoti Prakash Gadia

Managing Director | Resurgent India Limited

Dear Sandeep Ji,
Congratulations on the launch of The Worldonomics Times! This new publication promises to be a vital resource in financial journalism and stands to reshape our grasp of global financial landscapes. The Worldonomics Times will undoubtedly be an indispensable source for thorough analyses, covering the nuanced intersections of global economics and market dynamics. Your magazine is uniquely positioned to serve the needs of business leaders, policymakers, and those with a keen interest in the complexities of global finance. We eagerly await the fresh perspectives and insights that The Worldonomics Times will bring to the complex world of global finance. Best wishes for your journey ahead!



CMA Ramesh Kumar

Chief General Manager | Power Grid Corporation Of India

Dear Shri Sandeep Kumar,
With great pleasure we extend our good wishes on the launch of The Worldonomics Times. This publication is poised to become a cornerstone in the landscape of global finance and economics, offering deep insights and valuable perspectives. Your commitment to excellence in disseminating knowledge is not only commendable but vital in these complex economic times. We eagerly anticipate the success and influence your magazine will undoubtedly achieve. Warm regards.



Shri BK Sabharwal

Chairman, Capital and Commodity Market Committee, PHDCCI Ex-President CPAI, Ex-chairman FISE, Ex-Director |Delhi Stock Exchange

Dear Sandeep Kumar,
Congratulations on the launch of The Worldonomics Times! Your dedication to global finance journalism is commendable. This milestone marks the beginning of an insightful journey. In our interconnected world, timely updates on regulatory changes are vital, and your magazine promises to fulfill this need. Dedicated to providing expert insights and periodic updates, it aims to become a key resource for policymakers, industry professionals, and academics. Your leadership in this initiative is inspiring. Here's to a successful launch and a prosperous future ahead. Best regards.



CMA Vijay Kumar Agarwal

GM (Finance) | ONGC Videsh

Dear Shri Sandeep Ji,
It's my great pleasure to note "The Worldonomics Times" monthly magazine launching by "International Navodaya Chamber of Commerce (INCOC). The various Global Perspectives with relevant data have been covered which are relevant from our local perspective. The contents of magazine in coming days will be way forward in knowledge enhancement as well as for better understanding in correlating the global economics with local need.
Congratulations CMA Sandeep ji & Team for such an initiative which will surely provide the tailored world economic information.










INCOC
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MSME LEADERSHIP


INCOC
SME LEADERSHIP
SUMMIT 2026
ORGANIZED BY
NATIONAL SC-ST HUB

INCOC – Events & Highlights 2026

INCOC Investor Association – Discussion Meet, Delhi

The International Navodaya Chamber of Commerce (INCOC) organised an Investor Association discussion meeting at Scope Complex, New Delhi, bringing together CMAs and finance professionals from the Delhi-NCR region.
The meeting provided a platform to exchange ideas and explore investment opportunities, financial awareness and professional networking. Led by CMA Tarun Kumar Moitra, Former CFO of Bharat Electronics Limited (BEL), the discussion highlighted the importance of informed financial decisions, knowledge-sharing and professional collaboration.
The initiative aims to build a strong network of finance professionals, promoting INCOC's vision of Connect, Collaborate and Grow.

Bihar-Jharkhand Professional Meet 2026

The International Navodaya Chamber of Commerce (INCOC) organised the Bihar-Jharkhand Professional Meet 2026 in New Delhi, bringing together professionals to discuss career development, networking and collaboration.
The meet provided a platform for CMAs and other professionals to explore corporate and PSU opportunities, entrepreneurship, professional practice, mentorship and skill development. Special emphasis was placed on career opportunities for young and semi-qualified professionals.
The event highlighted INCOC's commitment to nurturing talent, strengthening professional connections and creating new opportunities for collective growth.

INCOC PSU Connect 2026

The International Navodaya Chamber of Commerce (INCOC) organised INCOC PSU Connect 2026 in New Delhi, bringing together 142 participants, including senior PSU officials, finance professionals, entrepreneurs and MSME representatives.
The event featured interactions with distinguished PSU leaders and focused on procurement opportunities, vendor development, business partnerships and institutional collaborations. It provided a valuable platform for connecting businesses with public sector organisations.
The event reinforced INCOC's commitment to building professional networks, creating business opportunities and strengthening PSU-industry collaboration.

INCOC at RISE Global 2026 – Driving Bihar's Global Growth

The International Navodaya Chamber of Commerce (INCOC) participated in RISE Global 2026, held at Hotel The Panache, Patna, focusing on MSME development, export promotion and global business opportunities.
Sandeep Kumar (FCMA, CA), President of INCOC, participated as a speaker and shared insights on strengthening Bihar's MSME sector, improving export competitiveness and connecting local businesses with international markets.
The event highlighted opportunities across various industries and emphasised technology adoption, access to finance, export development and strategic business collaborations.
INCOC reaffirmed its commitment to empowering MSMEs, promoting entrepreneurship and taking Bihar's businesses to global markets.


6.00 PM to 9.00 PM
Constitution Club of India
New Delhi
NETWORK
OPPORTUNITIES
COLLABORATE


Constitution Club of India
New Delhi
NETWORK
OPPORTUNITIES
COLLABORATE


NETWORK
IDEAS
OPPORTUNITIES
COLLABORATE


Constitution Club of India
NETWORK
OPPORTUNITIES
COLLABORATE




PSU Connect 2026





THE Worldonomics TIMES

The Worldonomics Times is a monthly publication launched by the International Navodaya Chamber of Commerce (INCOC). Based in New Delhi, India, it serves as a specialized resource for global finance, economics, and business management.

The magazine released its premiere issue on May 5, 2024, and focuses on providing data-driven insights and expert analysis for business leaders, policymakers, and scholars.

Key Features and Content

- **Focus Areas:** In-depth reporting on international trade, financial market shifts, macroeconomic theories, and environmental economics.
- **Format:** Available in both online (digital flipbooks) and print formats. It also features a dedicated mobile app for academic and professional learning.
- **Expert Contributors:** Articles are frequently authored by industry veterans, including Chartered Accountants (CAs), Cost & Management Accountants (CMAs), and financial consultants.
- **Mission:** To bridge the gap between complex economic theories and real-world business applications, particularly focusing on how global trends impact India's economic landscape.

Why is The Worldonomics Times important?

The Worldonomics Times is important because it keeps people informed about what is happening in the world of economics, business, trade, and global markets. In today's fast-changing world, having the right economic information helps individuals, businesses, and governments make better decisions.

It helps in:

- Understanding global and national economic trends
- Staying updated on trade, finance, and industry news
- Supporting business planning and investments
- Creating awareness about policies and market changes
- Encouraging educated and informed citizens

In simple words, Worldonomics Times connects people with the economic reality of the world and helps them grow, plan, and succeed.

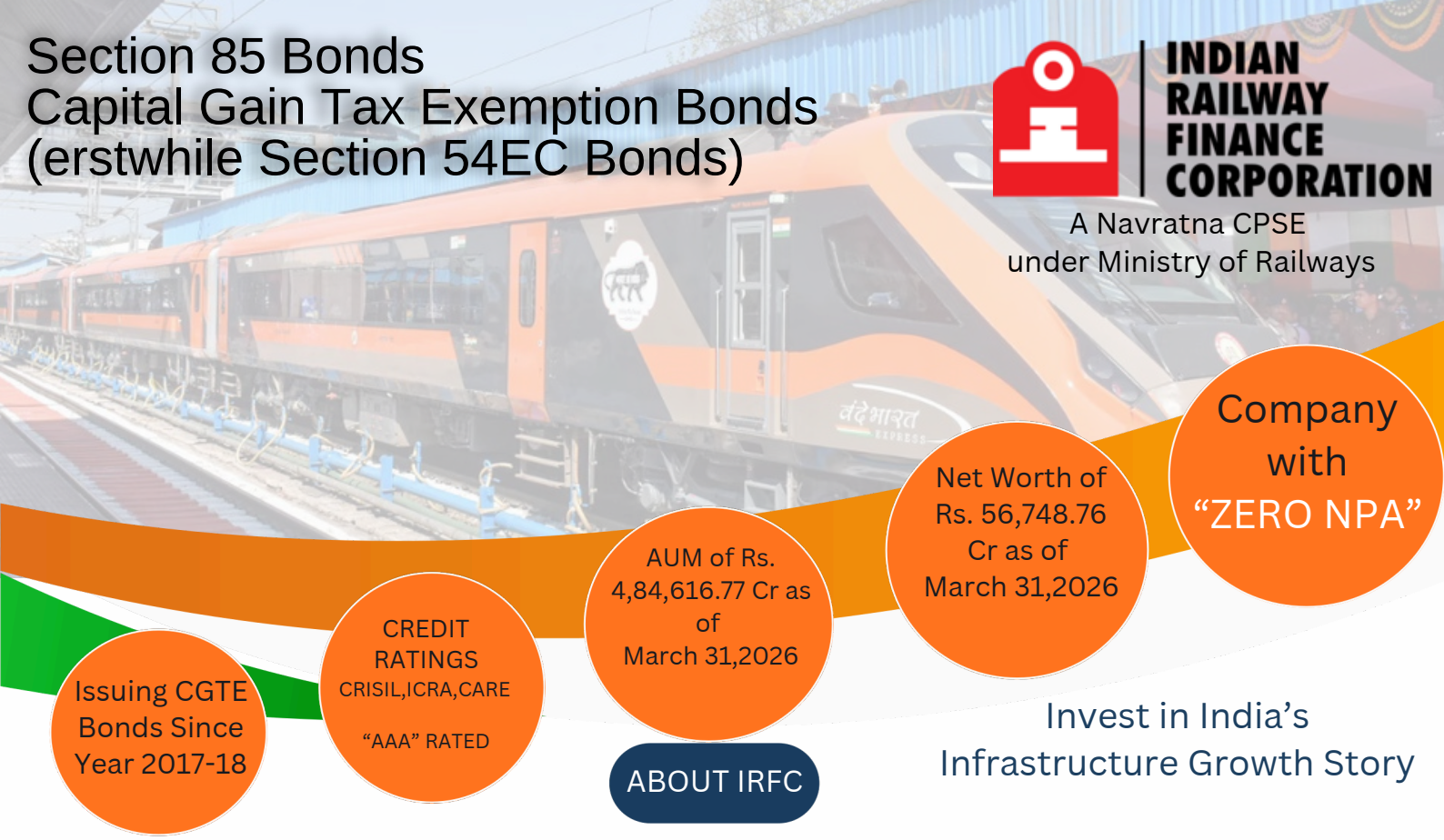
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Section 85 Bonds
Capital Gain Tax Exemption Bonds
(erstwhile Section 54EC Bonds)



INDIAN RAILWAY FINANCE CORPORATION

A Navratna CPSE
under Ministry of Railways

Company with "ZERO NPA"

Net Worth of Rs. 56,748.76 Cr as of March 31,2026

AUM of Rs. 4,84,616.77 Cr as of March 31,2026

CREDIT RATINGS
CRISIL,ICRA,CARE
"AAA" RATED

Issuing CGTE Bonds Since Year 2017-18

Invest in India's Infrastructure Growth Story

ABOUT IRFC

- Schedule 'A' Public Sector Enterprise Categorized as 'Navratna' incorporated in the Year 1986 under the administrative control of the Ministry of Railways, Govt. of India.
- Registered with RBI as NBFC and categorized as an Infrastructure Finance Company.
- IRFC serves as a Borrowing arm of Indian Railways and Diversifying its business with backward & forward linkages to Railways.
- IRFC is majorly owned by the Government of India with 82.90% of paid-up share capital.
- IRFC has maintained Zero NPA's since its inception.
- IRFC secures its fifth consecutive 'Excellent' rating from the Department of Public Enterprises.
- Scan and Download new IRFC Invest App- a step towards digital journey.

CAPITAL GAIN TAX EXEMPTION BOND U/S 85 OF INCOME TAX ACT , 2025

Face Value : Rs. 10,000/- per bond
Investment : Minimum Rs. 20,000/- (2 bonds)
Maximum Rs. 50 Lakh in a Financial year
Coupon Rate 5.25% p.a.
Tenure 5 Years
Issuance Mode : Demat / Physical Mode
Tranferability : Non - transerable, Non - marketable, Non- negotiable and cannot be offered as security for loan / advances
Incentive : Rs.500 Per PAN in a FY for investors making new investment in IRFC' s Capital Gain Bonds in Demat mode

Coupon Payment Frequency
Every year on 15th October till redemption and balance along with Redemption.

Nature of Bonds
Non-convertible,Non-cumulative, Secured, Rated, Unlisted, Redeemable, Taxable Bonds

TDS : No TDS on Interest Earned by Resident Indian

INDIAN RAILWAY FINANCE CORPORATION LIMITED

011-24361480or TollFreeNumber-1800-111-462
For Investment / Allotment related matters : 54ecbonds@irfc.co.in
UG – Floor, East Tower, NBCC Place, Bhisham Pitamah Marg Pragati Vihar, Lodhi Road, New Delhi – 110003

IRFC INVEST App for Android

IRFC INVEST App for IOS

Registrar and Transfer Agent : KFIN Technologies Limited

For more information visit : www.irfc.co.in

International Navodaya Chamber of Commerce (INCOC)

The International Navodaya Chamber of Commerce is a non-profit organization based in Delhi, India, established in 2021 with the objective of promoting entrepreneurship, professional development, and business collaboration. The organization works as a platform that connects entrepreneurs, professionals, MSMEs, and young leaders to support economic and social development.

INCOC was incorporated on 23 July 2021 and operates as a non-profit company registered under the Companies Act. Its registered office is located in Vishwas Nagar, Shahdara, Delhi. The organization is governed by a board of directors and operates through membership programs and professional networks.

Vision and Mission

The primary mission of INCOC is to empower individuals, businesses, and communities by providing opportunities for networking, knowledge sharing, and professional growth. It focuses on building a collaborative ecosystem where entrepreneurs and professionals can exchange ideas and contribute to economic development.

Key objectives include:

- Promoting business growth and entrepreneurship across India.
- Creating platforms for networking and collaboration among professionals and enterprises.

Major Activities

The International Navodaya Chamber of Commerce organizes a variety of professional and business activities, including:

- Business conferences, summits, and seminars
- Leadership and professional development programs
- Entrepreneurship and MSME support initiatives
- Skill development and training workshops
- Networking events for professionals and businesses
- Policy advocacy and collaboration with government bodies

Through these activities, INCOC aims to provide a platform where professionals such as CAs, CMAs, CSs, entrepreneurs, and MSME owners can interact, learn, and grow together.

Membership and Network

INCOC operates as a member-driven organization, offering membership to students, professionals, entrepreneurs, and businesses. Members benefit from networking opportunities, workshops, knowledge resources, and participation in events organized by the chamber.

Overall Role

Overall, the International Navodaya Chamber of Commerce acts as a bridge between professionals, businesses, and society, promoting entrepreneurship, leadership, and collaborative growth. Its long-term vision is to contribute to the development of a knowledge- driven, ethical, and globally connected professional community in India.

Head Office

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International Navodaya Chamber of Commerce

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