

12 JUNE 2026

# ASSOCHAM India Monitor

· (AIM Weekly) ·

----- Vol. 3/Issue 2 -----

A comprehensive weekly tracker of India's  
macroeconomic indicators ↗



**GDP GROWTH**



**INFLATION**



**INDUSTRIAL OUTPUT**



**Top Economic Developments**



**State Developments**



**Top Statistics**



**Weekly Market Mood**



**ASSOCHAM Analysis**

## **BHAVYA Portal Launched to Accelerate 100 World-Class Industrial Parks**

Union Minister of Commerce and Industry Piyush Goyal on 8 June 2026 launched the BHAVYA Portal — the digital backbone for implementing the Bharat Audyogik Vikas Yojana (BHAVYA) scheme, which envisages the creation of 100 investment-ready, world-class industrial parks over six years (FY2026-27 to FY2031-32). The Union Cabinet has approved the scheme with a total financial outlay of ₹33,660 crore. The BHAVYA Portal serves as a single-window digital platform for project submission, appraisal, evaluation, and real-time monitoring. The National Industrial Corridor Development Corporation (NICDC) has been designated as the implementing agency.

## **Centre Unveils ₹1.25 Lakh Crore Rural Development Package**

The Union Government unveiled a comprehensive ₹1.25 lakh crore rural development push on 10 June 2026, aimed at strengthening village-level infrastructure, livelihood generation, and agricultural connectivity. The announcement, made on the occasion of NDA completing 12 years in government, encompasses multiple flagship programmes under the Ministry of Rural Development and the Ministry of Agriculture. The package is intended to deepen last-mile delivery of government welfare schemes in villages, accelerate rural road connectivity under PMGSY, and boost MGNREGS asset creation with improved digital monitoring. Funds will be channelled through existing programme structures, with an emphasis on convergence between rural infrastructure and climate resilience.

## **Centre Provides ₹1.23 Lakh Crore Support to OMCs Amid Rising Crude Oil Prices**

The government provided nearly ₹1.23 lakh crore in support to state-run oil marketing companies to freeze fuel prices for 78 days following the West Asia crisis, top officials said on Tuesday.

Concurrently, the Fertiliser Ministry has sought a near-100 per cent increase in subsidy support over its budgeted outlay, that amounts to an additional allocation of approximately ₹ 3.4 lakh crore.

The substantial fiscal cushion provided to the energy sector underscores the intensity of the external shocks hitting India's import bills.

## **Cabinet Decisions**

### ***Cabinet passes a resolution applauding Prime Minister Shri Narendra Modi***

The Union Cabinet passed a resolution of applauding Shri Narendra Modi for becoming the longest-serving elected Prime Minister of the country. By establishing a record of 4,399 days of continuous service as an elected PM, he has surpassed the previous record held by Shri Jawaharlal Nehru, who served for 4,398 continuous days from 1952 to 1964.

### ***Cabinet approves Ahmedabad Metro Rail project Phase 2A***

The Union Cabinet has approved Ahmedabad Metro Phase 2(A), a 6.032 km corridor with five stations connecting key urban areas to the airport at a cost of ₹2,169.04 crore. The project will expand the Ahmedabad-Gandhinagar Metro network to 77.63 km, enhancing urban mobility and connectivity. It is expected to reduce traffic congestion, lower carbon emissions, and support economic growth through improved access to commercial and residential hubs.

## **APEDA Facilitates First Export of Fresh Mangoes from Jharkhand to the UK**

APEDA has facilitated the first commercial export of fresh mangoes from Jharkhand to the United Kingdom, marking a significant milestone in the State's agricultural export journey. The 1.5 MT consignment of Amrapali mangoes was sourced from Beura Farmer Producer Company Ltd., an all-women FPC in Simdega district, and exported to London. The initiative followed APEDA's capacity-building and market linkage efforts, enabling farmers to access international markets and realize higher returns for their produce.

## **West Bengal Becomes 36th State/UT to Implement Ayushman Bharat PM-JAY**

West Bengal has become the 36th State/UT to implement the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB PM-JAY), completing the nationwide rollout of the flagship health assurance scheme. Through a Memorandum of Understanding signed between the National Health Authority and the Government of West Bengal, approximately 1.43 crore families (nearly 6 crore people) in the State will now have access to cashless health coverage of up to ₹5 lakh per family annually.

## **Maharashtra preferred FDI hub, policy push aimed at \$5-trillion economy by 2047**

Maharashtra Governor Acharya Devvrat said that the state continues to be a leading destination for foreign investment, contributing over 13.5 per cent to the national GDP. He further stated that a "Vision Management Unit" has been set up to guide the state's transition towards a \$5-trillion economy by 2047. Addressing the joint session of both houses of the state legislature on the inaugural day of the budget session, the Governor said that Maharashtra received Rs 1,64,875 crore in FDI in 2024–25, accounting for 39 per cent of the country's total inflows. In the first half of 2025–26, the state secured Rs 91,337 crore.

## **UP's economic growth graph inches upwards as CAGR hits 10.8%**

Uttar Pradesh's Economic Survey for 2025–26 revealed that the state's economy has grown at a CAGR of 10.8 per cent, with its GSDP rising from Rs. 13.30 lakh crore (at current price) in FY 2016–17 to Rs. 30.25 lakh crore in FY 2024–25. The state's own tax revenue, an indicator of an economy generating activity, jumped from Rs. 0.86 lakh crore in 2016–17 to Rs. 2.09 lakh crore in 2024–25. India's most populous state for decades carried the BIMARU label, a term coined in the 1980s to group Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh due to their low economic growth. However, UP's share in the national economy rose from 8.6 % in 2016–17 to about 9.1 % in 2024–25.

## **Uttarakhand's new Science Policy to steer state towards new economy**

Uttarakhand Chief Minister Pushkar Singh Dhami said that the Uttarakhand Science, Technology and Innovation Policy-2026 is a landmark document that will steer the state towards a knowledge-driven, research-oriented and innovation-based economy. He stated that the objective is not merely to expand science and technology, but to integrate them with everyday life, good governance, disaster management, education, agriculture, healthcare and employment generation. The policy will provide a common platform for youth, researchers, startups, scientists and grassroots innovators.

### **World Bank Raises India's FY27 Growth Forecast to 6.6%**

The World Bank has marginally raised India's growth forecast for 2026-27 to 6.6% from the 6.5% projected in January, making it one of the few major economies to see an improved outlook even as the financial institution downgraded its global growth outlook due to the West Asia war. Despite the slowdown, India is expected to remain among the fastest-growing major economies globally and to continue anchoring growth in South Asia, which is forecast to expand by 6.3% in 2026, according to the report.

### **India's current account deficit to stand at 1.8% of GDP for FY27: Report**

India is expected to see a current account deficit of 1.8 per cent of GDP in FY27 as against around 2 per cent projected earlier. This adjustment follows a stable outturn in the external sector during the preceding fiscal year despite a widening trade deficit. The report outlined a sharp contrast between merchandise trade and invisible earnings. In FY26, the current account deficit remained steady at USD 25 billion, which represented 0.6 per cent of GDP, compared with USD 23 billion in FY25. This stability persisted on the back of a widening goods deficit of USD 337 billion, up from USD 287 billion in FY25.

### **Fitch raises India growth forecast to 7.5% despite geopolitical tensions**

India's GDP is expected to grow 7.5 per cent in the fiscal year ending March 2026 higher than 7.4 per cent forecasted earlier, due to resilient domestic demand even as activity showed tentative slowing in January and February. Credit rating agency Fitch Ratings said domestic demand will drive the growth, with consumer spending and investment expected to expand by 8.6 per cent and 6.9 per cent, respectively, in FY26.

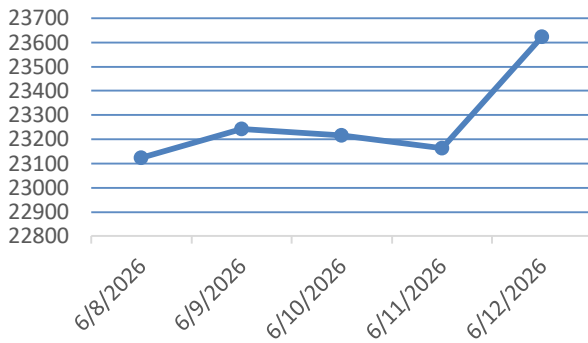
### **India's Exports Grow 15% In April-May; Non-Petroleum Shipments Stay Strong**

India's merchandise exports have grown 15% between April and May, sources said on Monday. Additionally, non-petroleum exports reported a strong growth at 10-11%. The growth is significant as it comes in the backdrop of West Asia crisis and a disruption of economies across the globe due to blockade of the key maritime Strait of Hormuz. Exports in India started fiscal 2027 on a strong note, rising 13.6% year-on-year to \$80.8 billion in April 2026, even as geopolitical tensions in the Middle East disrupted key trade routes and markets. Commerce Secretary Rajesh Agrawal said exports have remained resilient despite regional challenges, aided by India's ability to diversify into new geographies and product markets

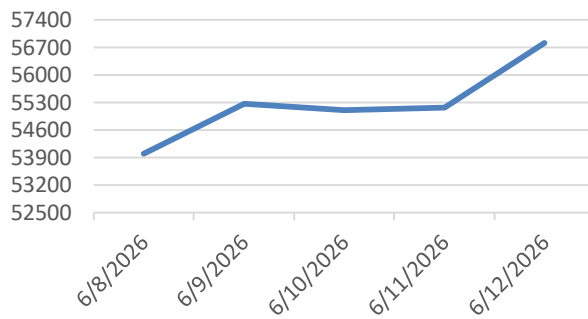
### **Engineering Exports Reach Record \$122.43 Billion in FY2025-26**

India's engineering exports touched an all-time high of USD 122.43 billion in FY2025-26, up from approximately USD 70 billion in FY2014-15, representing a near doubling over a decade, according to data shared by the Engineering Export Promotion Council (EEPC). The growth has been driven by capacity additions in capital goods, auto components, industrial machinery, and electronics systems manufacturing. The BHAVYA industrial parks launch is expected to further accelerate this trajectory by providing dedicated manufacturing zones for engineering-intensive industries. Capacity in the sector has expanded significantly under various PLI scheme interventions, and India's engineering export basket has diversified from traditional segments like iron and steel to high-value precision goods.

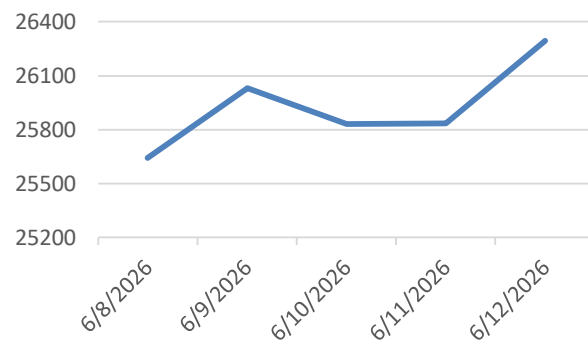
### NIFTY 50



### NIFTY BANK



### NIFTY AUTO



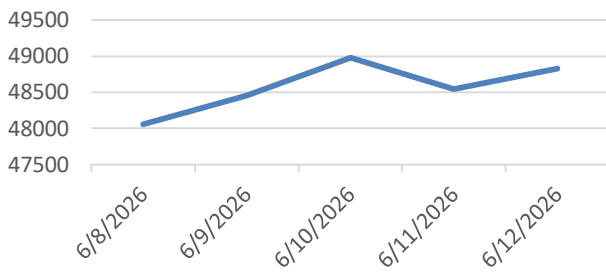
Nifty 50 remained under pressure for most of the week due to concerns over elevated crude oil prices, geopolitical tensions in West Asia, and the RBI's upward revision of inflation projections. However, the index witnessed a strong rebound on 12 June, closing near 23,565, supported by easing crude oil prices, optimism around a possible US-Iran peace deal, and improved global market sentiment. Lower oil prices helped ease concerns about inflation and India's import bill, boosting investor confidence.

Nifty Bank index emerged as one of the strongest performers during the week, ending at around 56,700. Banking stocks gained after the RBI maintained the repo rate at 5.25%, providing clarity on interest rates and supporting credit growth expectations. Additional support came from the RBI's measures to facilitate overseas borrowing and attract capital inflows, which improved sentiment towards financial stocks.

Nifty Auto index rose to approximately 26,300, recovering strongly towards the end of the week. Auto stocks benefited from the sharp decline in crude oil prices, which reduced concerns over fuel costs and inflationary pressures. Stable interest rates also supported the outlook for vehicle demand by keeping borrowing costs unchanged. Improved risk appetite and positive market sentiment further aided gains across the sector.

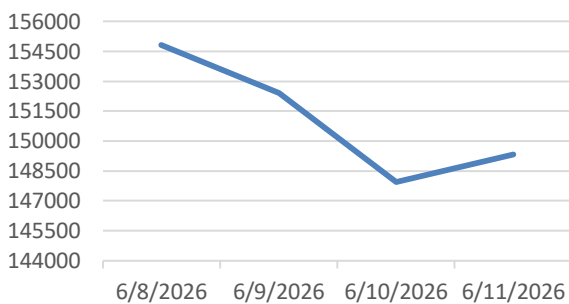
Date	USD (INR / 1 USD)	GBP (INR / 1 GBP)	EUR (INR / 1 EUR)	JPY (INR / 100 JPY)
12/06/2026	95.3825	127.8367	110.3607	59.5000
11/06/2026	95.7205	128.0491	110.5017	59.6100
10/06/2026	95.1855	127.4635	109.9634	59.3500
09/06/2026	95.6359	127.8856	110.4716	59.7400
08/06/2026	95.6198	127.4102	110.1444	59.6600

### NIFTY FMCG



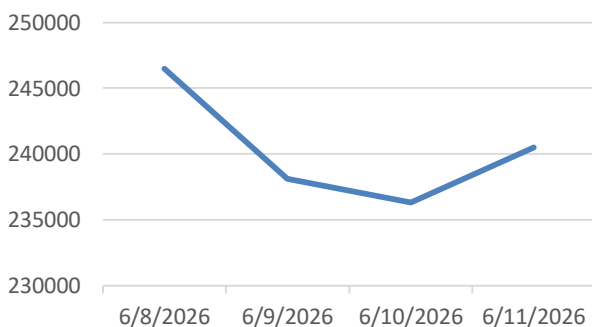
Nifty FMCG index remained largely positive during the week, closing near 48,850 after witnessing some mid-week volatility. The sector benefited from its defensive nature amid global uncertainties and volatility in commodity markets. Investor sentiment was supported by expectations of stable domestic consumption demand and easing interest rate concerns. FMCG stocks continued to attract buying interest as investors sought relatively stable earnings amid concerns over inflation, geopolitical tensions, and fluctuations in global energy prices.

### Gold (INR/10 GM)



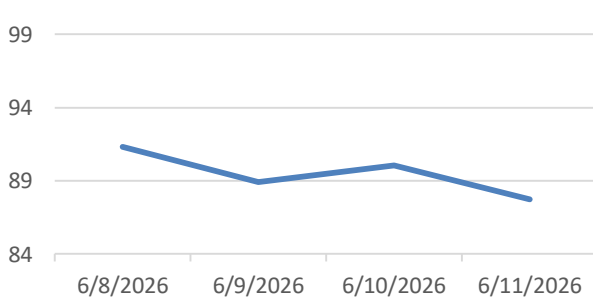
Gold prices fell during most of the week before recovering slightly. The decline was mainly due to investors booking profits after recent highs and a stronger US dollar. However, continued global uncertainties and demand for safe-haven assets helped support prices towards the end of the week.

### Silver (INR/KG)



Silver prices also declined initially before bouncing back. The fall was driven by profit-booking and improved sentiment in equity markets. However, strong industrial demand and positive long-term prospects helped silver regain some of its losses.

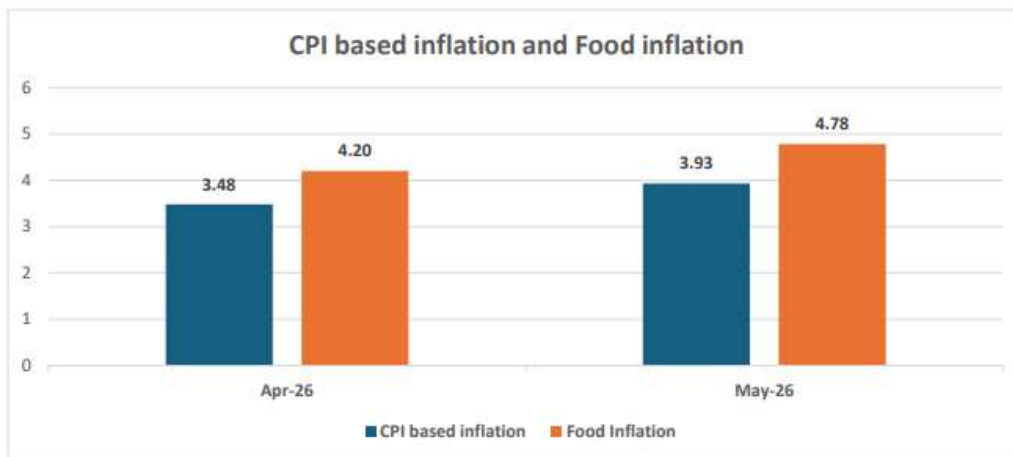
### Crude (\$/BL) Price



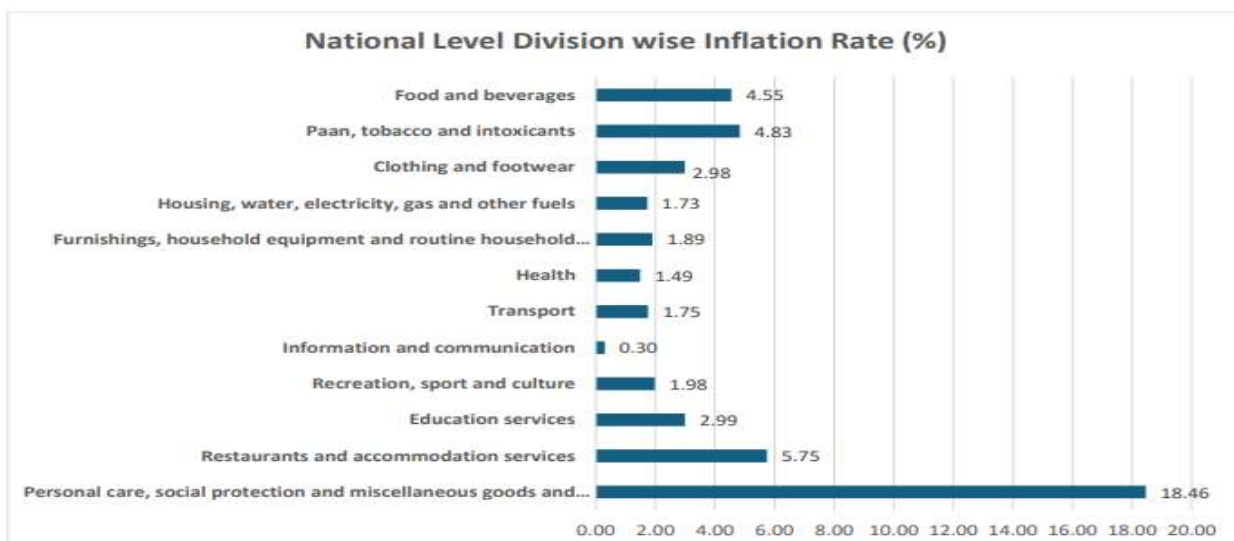
Crude oil prices remained volatile during the week. Concerns over tensions in the Middle East initially pushed prices higher, but hopes of easing geopolitical tensions and expectations of adequate global oil supply led to a decline later in the week. Lower crude prices helped ease concerns over inflation and supported overall market sentiment.

## Retail inflation based on Consumer Price Index in May, 2026 is 3.93% and Year on year food inflation in May, 2026 is 4.78%.

India's retail inflation rose to 3.93% in May. Food and fuel prices increased, impacting consumer costs. This marks the highest inflation reading under the new CPI series. Despite the rise, inflation stays below the Reserve Bank of India's 4% target for the 16th month. Policymakers have room to support growth.



- Headline Consumer Price Index (CPI) inflation rose to 3.93% in May 2026, compared to 3.48% in April. While inflation has edged up, it remains below the Reserve Bank of India's medium-term target of 4%, indicating that overall price pressures remain manageable
- Food inflation increased to 4.78% in May from 4.20% in April, contributing significantly to the rise in headline inflation. Higher prices of vegetables and certain agricultural commodities were among the key drivers.
- Rural inflation stood at 4.25%, exceeding urban inflation of 3.53%. This divergence suggests that rising food and essential commodity prices are having a relatively greater impact on rural consumers.



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