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ECONOMIC PERISCOPE: GROWTH ROADMAP FOR INDIA AMID GLOBAL POLICY SHIFTS

30 October 2025

I. Global Policy Shifts: Post-Trump saga & latest developments

After the US President Donald Trump has assumed office, there are sharp global ramifications of his tariff and sanctions related policies for the rest of the economies. Fresh sanctions by the US on Russian oil majors Rosneft and Lukoil drove Indian refiners to “recalibrate” import strategies. The sanctions will be effective from 21 Nov’25. Hence, Indian refiners might be tempted to stock Russian crude oil before the sanctioned deadline.

Meanwhile, India’s crude oil imports from US remains the highest that reached 5,40,000 b/d until 27th Oct’25, which is likely to reach at around 5,75,000 bpd at the end of this month. This upsurge of crude oil imports from the US can be seen as an attempt to ease trade tensions and to reach a better outcome with modest tariff lower than the current fifty per cent. However, given the global importance of the Russian major oil players, the crude oil price trajectory remains to be watched carefully.



Meanwhile, Fed rate cut expectation has gained momentum due to softer expected inflation data, which could be a booster for the foreign portfolio inflows at India, which has become positive in Oct’25 after continuous outflows in previous two months.

Nonetheless, foreign investment trends remains a jittery amid the Trump related erratic policies that have worried the global economic order.

In Japan, political shift has taken place. Despite the initial political doldrums in Japan, finally Liberal Democratic Party (LDP) leader Sanae Takaichi has been elected as Japan's first female Prime Minister by replacing Shigeru Ishiba, a Japanese politician who served as Prime Minister of Japan and President of the Liberal Democratic Party from 2024 to 2025. The bond market faces certain volatility due to the so-called “Widow-Maker” trade due to future policy uncertainty and the BoJ is struggling to manage higher than targeted inflation with worries about the country's huge debt burden. Despite its mostly domestic debt ownership and low net debt to GDP ratio, the country has high debt servicing cost (estimated at 5% of GDP).¹

Interestingly, according to the IMF's Oct'25 Economic Outlook, emerging market (EM) economies have held up amazingly well in recent years, despite periods of global financial turbulence. Many emerging markets have survived swings in global threats better than before.

Gold, after a sustained rally, has taken a modest backseat with the decline by more than 5 per cent largely due to improvement in the geopolitical aspects as Trump stated that he expects to reach a fair deal with China, as well as profit booking by investors. From their record peak of ₹132,294 per 10 grams, gold prices have moderated to ₹128,000 in the domestic market. The US CPI is awaited; the subsequent Fed action will guide market expectations in future. The prolonged US shutdown, weakening of US dollar, certain de-dollarisation trends especially in energy contracts, geopolitical uncertainties have fuelled the surge in gold prices driven by its increasing demand.

Nonetheless, global uncertainties remain a challenge going forward, including rising global debt (Global debt now near 92% of GDP & projected to hit 100% by 2030), costs of a fragmented world order, regulatory challenges of ever-growing AI and related technological challenges.

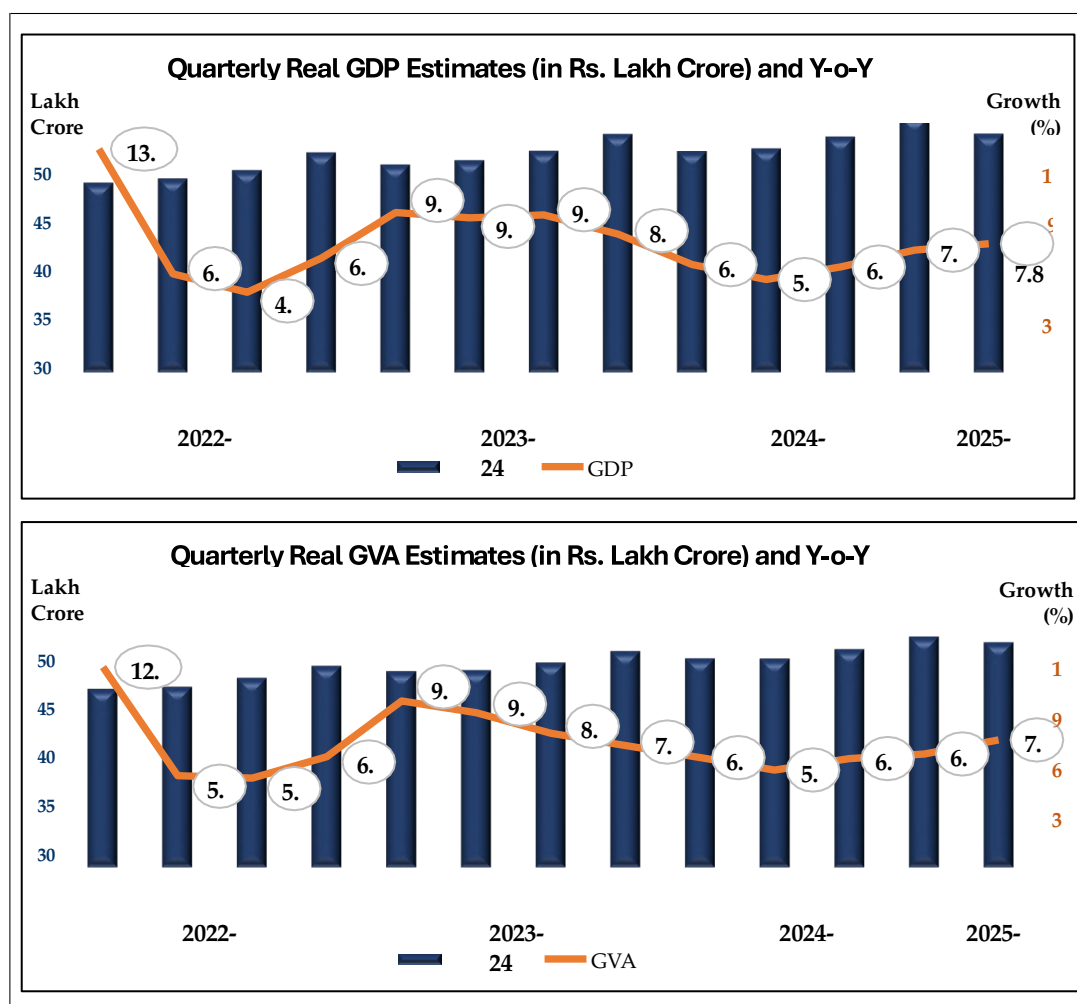
II. Global Powerhouse, policy shifts, uncertainties: Where India Stands?

1. India's real GDP growth remains robust

Amid the ever-increasing global uncertainties and Trump-related policy disruptions, India continue to maintain its prudent economic growth rates so far. India's growth momentum strengthened in Q1 FY26 according to data released on 29th August 2025.

¹ Finance Minister Katsunobu Kato has added further uncertainty by highlighting that “inflation, rather than deflation, has become a challenge for us now.” emphasising the need for policies suited to this new era, implying that Japan is unlikely to return to a full-fledged “Abenomics” reflationary irrespective of the political outcome in Japan, reinforcing expectations that fiscal and monetary policies may remain more balanced.

Gross domestic product (GDP) at constant (2011-12) prices or real GDP grew by 7.8 per cent YoY in Q1 FY26, a five-quarter high, while real gross value added (GVA) expanded by 7.6 per cent during this period. At current prices or in nominal terms, both GDP and GVA grew by 8.8 per cent YoY.² With this growth, India continues to grow at the fastest pace amongst its peers, particularly against China (5.2 per cent) and Indonesia (5.1 per cent).³ Albeit tariff related uncertainties, India's medium-term economic outlook appears strong and resilient, supported by robust domestic fundamentals and continued policy momentum. As per our expectation that the median projection for India's real GDP growth for FY2025-26 stands at 6.7%, with estimates ranging between 6.3% and 6.8%. The upward revisions in forecasts are largely attributed to the positive effects of GST rationalisation, monetary easing prospects, and stronger agricultural output aided by a favourable monsoon.



Source: CSO, Ministry of Statistics and programme Implementation (MOSPI).

² <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2098357>

³ Monthly Economic Report, Dept. of Economic Affairs, GOI.

2. IMF chief Kristalina Georgieva praised India's 'bold economic and structural reforms'

A proud moment of India is reflected in the appreciation by the IMF chief Kristalina Georgieva who highlighted that India is proving doubters wrong with bold economic policies. She has identified India as a pivotal driver of global economic momentum, even as global growth projections continue to slide from pre-pandemic levels. “Global growth is forecast at roughly 3 per cent over the medium term — down from 3.7 per cent pre-pandemic. Global growth patterns have been changing over the years, notably with China decelerating steadily while India develops into a key growth engine,” Georgieva stated ahead of the annual IMF-World Bank meetings in Washington.

3. Monsoon seems favourable

The 2025 southwest monsoon season ended with above normal precipitation at 107.9 per cent of the long period average (LPA). During June~Sept’25, India received 937.2 mm precipitation.⁴ At the end of the monsoon season, current live storage in 160 reservoirs across the country was 90.4 per cent of the full reservoir level (FRL).⁵ In its first forecast, IMD had also predicted above normal rainfall at 105 per cent of the LPA during the season. Supported by good southwest monsoon, the overall acreage under the kharif season surpassed the previous year’s levels. The combined stock of rice and wheat with the government remains comfortable due to strong procurement operations. The increase in minimum support prices (MSP) for the rabi marketing season (April 2026 to March 2027), announced on 1st Oct’25, seeks to ensure remunerative prices to farmers while incentivising crop diversification.

4. Private Sector Investments are likely picking up during H1-FY26

The private sector’s fresh investments during H1-FY26 are likely to increase at 70.8% from 61.3% in H2-FY25, whereas central govt’s and state govts’ capex are likely to be softened at 12.7% and 16.5% in H1-FY26 from 18.3% and 20.4% respectively. Regarding sector-wise share, manufacturing (25.9%) and electricity (38.1%) are likely to dominate.⁶

5. India’s retail inflation remains lowest

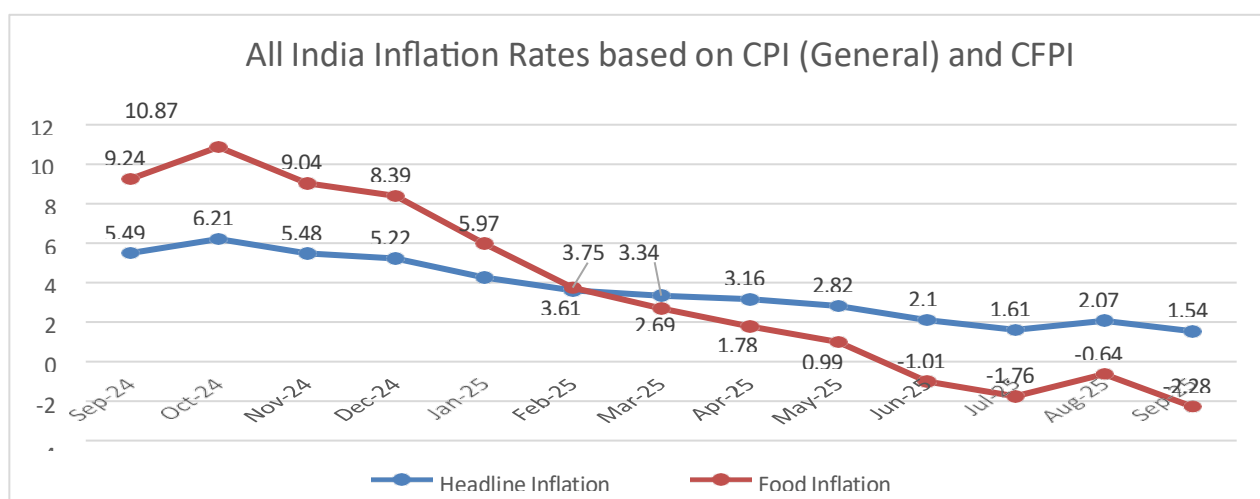
India’s retail inflation declined at 1.5% in September’2025, a decline of 53 basis points in headline inflation of September 2025 in comparison to August 2025. It is the lowest year-on-year inflation after June 2017. Food inflation remains 2.28%. A decrease of 164 basis points is observed in food inflation in September 2025 in comparison to

⁴ RBI October2025 Bulletin.

⁵ CMIE, RBI Oct’25 Bulletin.

⁶ Projects Today, <https://www.projectstoday.com/Project-Infographics/Projex-Infographics/An-Overview-of-Fresh-Investments-in-H1-FY26>

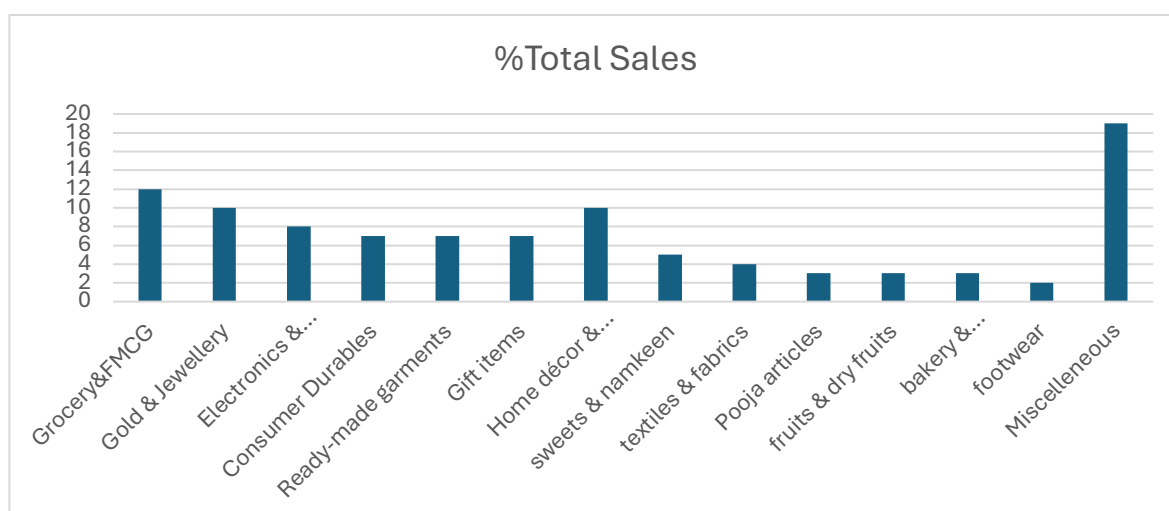
August 2025. The food inflation in September 2025 is the lowest after December 2018. Inflation rates for rural and urban are 2.17% and -2.47%, respectively.



Source: Central Statistical Organisation (CSO), MOSPI, Govt. of India (GoI).

6. India witnessed record-breaking Diwali sales this year with total festive trade touching ₹6.05 lakh crore

India witnessed record-breaking Diwali sales in 2025 with total festive trade touching ₹6.05 lakh crore, encompassing ₹5.40 lakh crore in goods and ₹65,000 crore in services, found by a CAIT⁷ survey based on a nationwide survey across 60 major distribution centres, including state capitals and Tier 2 and Tier 3 cities. Diwali 2025 trade figures show a 25 percent rise over last year's ₹ 4.25 lakh crore sales, with mainline retail; mostly non-corporate and traditional markets are contributing 85 percent of total trade, marking a solid contribution by physical markets and small traders.



Source: CAIT, Money control (21 Oct'25), Infomerics Research.

⁷ Confederation of All India Traders (CAIT).

7. The UPI recorded ₹1.02 lakh crore transactions amid festive zeal

India's digital payment ecosystem caught glaring new peaks this Diwali, as the Unified Payments Interface (UPI) recorded its highest-ever single-day transaction value and volume. According to data from the National Payments Corporation of India (NPCI), UPI transactions on Diwali eve (October 18) surged to 754 million, amounting to a record ₹1.02 lakh crore, underscoring how festive fervour and lower GST rates have powered India's cashless economy. As of August 2025, there are 504 million unique UPI users, which is about half of India's adult population. UPI is now a habit and is being preferred by people of all ages, geographies, and income segments.

8. Fiscal Situation

As highlighted by CMIE data, during April-July 2025, central government finances faced some stretch as the gap between its expenses and receipts widened. The surge in expenses was driven more by higher interest payments than productive investments. Initially, during FY 2025-26 (April-August), the major deficit indicators of the union government stood higher.

India's fiscal deficit reached 38.1% of the full-year target in April–August of the fiscal year 2025-26, aggregating at ₹5.98 lakh crore, a higher percentage compared to the same period in the previous year, which stood at 27% (see following Chart, 13th row).

			Budget Estimates 2025-2026*	Actuals@ upto August 2025	% of Actuals to Budget Estimates	
			Rs.	Rs.	Current	COPPY**
1	Revenue Receipts		3420409	1250739	36.60%	-38.60%
2	Tax Revenue (Net)	(Details)	2837409	810407	28.60%	-33.80%
3	Non-Tax Revenue	(Details)	583000	440332	75.50%	-61.30%
4	Non-Debt Capital Receipts	(Details)	76000	31970	42.10%	-11.40%
5	Recovery of Loans		29000	8553	29.50%	-28.70%

6	Other Receipts		47000	23417	49.80%	-1.60%
7	Total Receipts (1+4)		3496409	1282709	36.70%	-38.00%
8	Revenue Expenditure		3944255	1449283	36.70%	-36.40%
9	<i>of which</i> Interest Payments		1276338	528668	41.40%	-34.40%
10	Capital Expenditure		1121090	431579	38.50%	-27.10%
11	<i>of which</i> Loans disbursed		225844	109856	48.60%	-20.80%
12	Total Expenditure (8+10)	(Details)	5065345	1880862	37.10%	-34.30%
13	Fiscal Deficit (12-7)		1568936	598153	38.10%	-27.00%
14	Revenue Deficit (8-1)		523846	198544	37.90%	-24.70%
15	Primary Deficit (13-9)		292598	69485	23.70%	-7.80%

Source: CGA

India's net direct tax collection grew 6.33 per cent so far, this fiscal to over ₹11.89 lakh crore. Refund issuances declined 15.98 per cent to ₹ 2.03 lakh crore between 1April~October12. During the period, corporate tax collection increased 2 percent to over ₹5.01 lakh crore. On the other hand, non-corporate tax growth increased 10 percent. Between (1April~October12)2025, net corporate tax collection stood at over ₹5.01 lakh crore, up from ₹4.91 lakh crore in the same period in 2024. Non-corporate

tax, which includes individuals and HUFs, mop-up so far this fiscal stood at about ₹6.55 lakh crore, up from over ₹5.93 lakh crore in the same period of the last year.

Nonetheless, during Apr~Aug'25 the net tax revenue has seen a negative year-on-year or yoy (-)7.26% growth whereas non-tax revenue surged by 31.65% yoy growth. Public Capex has seen a 43.39% growth during Apr~Aug'25.⁸

Direct Tax Collections for F.Y. 2025-26 as on 12.10.2025

(Rs. In Crore)

	FY 2024-25 (as on 12.10.2024)					FY 2025-26 (as on 12.10.2025)					
	Corporate Tax (CT)	Non*-Corporate Tax (NCT)	Securities Transaction Tax (STT)	Other taxes (OT)	Total	Corporate Tax (CT)	Non*-Corporate Tax (NCT)	Securities Transaction Tax (STT)	Other taxes (OT)	Total	Percentage Growth
Gross Collection	6,12,579.32	7,14,637.56	30,629.97	2,180.36	13,60,027.21	6,42,658.28	7,18,323.63	30,878.46	301.12	13,92,161.49	2.36%
Refunds	1,20,781.18	1,20,939.70	0.00	28.00	2,41,748.88	1,40,740.59	62,359.29	0.00	7.44	2,03,107.32	-15.98%
Net Collection	4,91,798.14	5,93,697.86	30,629.97	2,152.36	11,18,278.33	5,01,917.69	6,55,964.34	30,878.46	293.68	11,89,054.17	6.33%

Source: TINMIS

* NCT includes taxes paid by individuals, HUFs, Firms, AoPs, Bols, Local Authorities, Artificial Juridical Person

Source: CBDT, Govt. of India (GoI).

9. GST Collection remains robust

Further, GST taxpayer base has grown from 66.5 lakh in 2017 to 1.51 crore in 2025. The Financial Year (FY) 2024–25 has seen ₹22.08 lakh crore in gross GST collections, doubling in just four years with a CAGR of 18%. Average monthly collections have risen to ₹2.04 lakh crore year from ₹82,000 crore in 2017–18.⁹ The latest reforms mark a key simplification of the GST structure, by shifting towards a two-slab system of 5% and 18%, removing the earlier 12% and 28% rates, which is expected to make taxation easier. On the other hand, a 40% on luxury and sin goods such as pan masala, tobacco, aerated drinks, high-end cars, yachts, and private aircraft ensures fairness and revenue balance. Alongside, registration and return filing have been simplified, refunds made faster, and compliance costs reduced, easing the burden on businesses, especially MSMEs and startups.

On the flip side, the recent rate structure softening may lead certain revenue loss for the central government. For instance, in the automobile industry, GST rate cuts would drag central government tax revenue down by ₹235.5 billion in the second half of 2025-26. Basic construction materials like cement, granite blocks and plywood have faced GST reductions between seven and 10 percentage points. This would impact GST

⁸ According to the Controller and General Accounts (CGA) data.

⁹ “GST Reforms 2025: Relief for Common Man, Boost for Businesses” (4 September 2025), Press Information Bureau (PIB), Govt. of India.

collections by nearly ₹60.2 billion.¹⁰ Nearly all kinds of automobiles, like passenger vehicles, commercial vehicles and three-wheeled vehicles, have undergone a reduction in GST rates except for bikes with high engine capacity. On the other hand, sin goods like Tobacco and tobacco products, readymade garments, carbonated drinks, casino and betting activities and other luxury items have seen an increase in GST rates, which is likely to offset some amount of loss in GST revenue.

10. Govt. Borrowing Programme

Government of India plans to borrow ₹6.77 lakh crore in the second half of the fiscal year 2025-26 (H2: FY 2025-26) through dated securities, including ₹10,000 crore through issuance of Sovereign Green Bonds (SGrBs). The Gross Market Borrowing of ₹6.77 lakh crore shall be completed through 22 weekly auctions till March 6, 2026. The market borrowing will be spread over 3, 5, 7, 10, 15-, 30-, 40- and 50-year securities. The share of borrowing (including SGrBs) under different maturities will be: 3-year (6.6%), 5-year (13.3%), 7-year (8.1%), 10-year (28.4%), 15-year (14.2%), 30-year (9.2%), 40-year (11.1%) and 50-year (9.2%).¹¹

11. Monetary Policy keeps the Dovish tone

The MPC in its Oct'25 policy noted that the impact of the front-loaded monetary policy actions and the recent fiscal measures is yet ongoing. The trade related uncertainties are also evolving. Therefore, the MPC contemplated for a pause to gather more clarity before charting the next course of action. Accordingly, the MPC unanimously voted to keep the policy repo rate unchanged at 5.5 per cent. The transmission faces some hiccups, as per media reports and RBI's Oct'25 bulletin, with the interest rates on most small savings instruments being higher than their formula-based rates, transmission of policy rates to bank deposit rates is getting limited.

12. Promoting ease of doing business (EoDB)

In the Oct'25 monetary policy, the RBI Governor has announced certain additional measures including the EoDB. Many circulars and directions totalling about 9000, have been consolidated, subject wise, across 11 types of regulated entities (REs). Further, it is proposed to provide greater flexibility to banks for opening and maintaining transaction accounts of borrowers (viz. current accounts and CC/OD accounts), which will help borrowers, regulated by a financial sector regulator. Restrictions with respect to collection accounts are also proposed to be withdrawn. The EoDB is further extended for the export sector as well. Extension has been provided for repatriation from foreign currency accounts of Indian exporters in IFSC, from one month to three

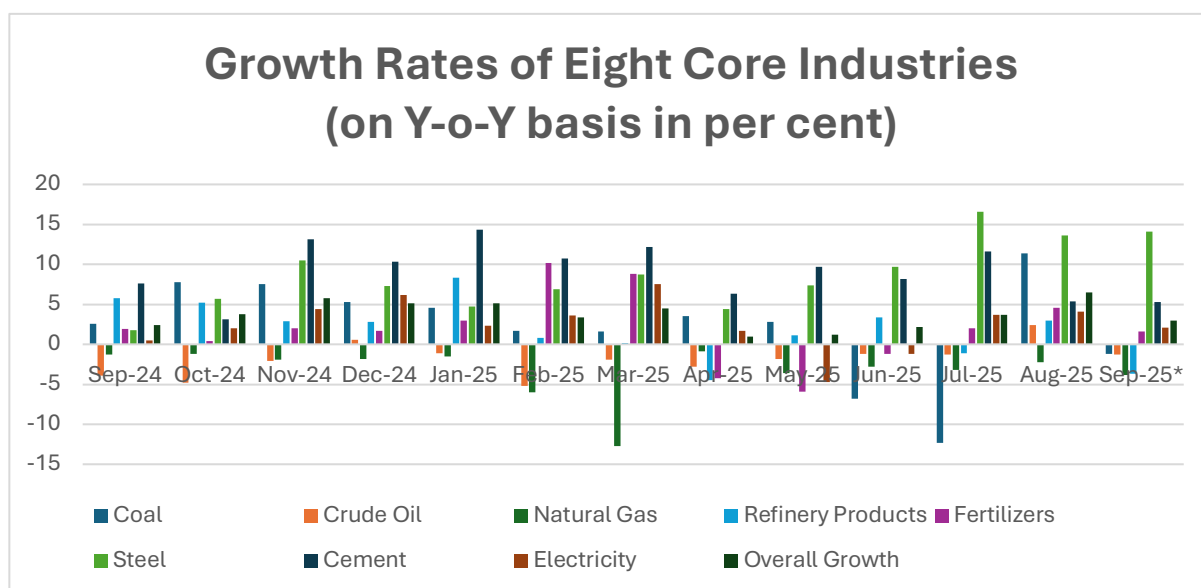
¹⁰ "GST reform to strain central govt. tax collections" (9 Oct'25) Yatika Arora, CMIE research.

¹¹ PIB(26 Sept'25) <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2171787>.

months. Further, the period for forex outlay for Merchanting Trade transactions has been extended from four months to six months as well as the process of reconciliation of outstanding entries related to exports and imports in the respective reporting portals (EDPMS/IDPMS).

13. Index of eight core industries grew at 3% in Sept'25

India's index of eight core industries has slowed modestly at 3 per cent in Sept'25. The production of Steel (14.1%), Cement (5.3%), Electricity (2.1%) and Fertilizer (1.6%) recorded positive growth in September 2025. On the other hand, coal (-1.2%), crude oil (-1.3%), natural gas (-3.8%), refinery products (-3.7%) have declined.



Source: Office Of The Economic Adviser, Department For Promotion Of Industry And Internal Trade

14. Bond market Implications

During the pre-policy (monetary) announcement, yields on 10-year government bonds fringed somewhat lower, but post-policy, there was a flat sell-off and a slight upward movement in yields, largely driven by cautious investor's reactions and tinny participation. The full transmission of past rate cuts into the bond market hasn't materialized, largely due to the demand-supply disparities. There is certain disconnect between policy rates and market yields.

The 10-year G-Sec yield has increased at 6.59% in Sept'25 from its bottom at 6.27% in May'25.¹² During the end of 26th Oct'25 week, the 10-yr G-Sec ended around 6.53%. On the state government front, bond yields (SDLs) are around 80 basis points higher than G-Sec yields, more than double the average spread seen between 2022 and

¹² <https://fred.stlouisfed.org/series/INDIRLTLT01STM>

2025. This widening spread is largely due to front-loading of SDL issuances and weaker demand from banks.¹³

Despite the expectation that recent GST reforms and stronger direct tax collections would improve state revenues, past trends suggest that states often fall short of their fiscal deficit targets. If the actual deficit is lower than the budget estimate by 12%, state borrowings could decline by 4% year-on-year (yoy) in the second half. Even with a smaller shortfall, a 7% deficit would only lead to a 3% year-on-year increase in borrowings, helping to ease supply - demand pressures in the market.¹⁴

However, according to a recent CCIL study, State borrowings during Q2-FY26 were at ₹2.66 lakh crore, around 32% higher than Q1-FY26.¹⁵ With yields moving up, states preferred reissuances, which constituted almost 16% of the total issuances during the quarter. The top five issuers during the quarter were Maharashtra, Telangana, Bihar, Tamil Nadu and Madhya Pradesh - accounting for 54% of the total borrowings.

15. Trends in External Balance

The 50 per cent tariff imposed by US came into effect in the month of September, though merchandise exports have upped by 3.7 per cent. Exports to US was marginally higher at \$36.4 billion compared to \$35.1 billion in Aug'25. Overall exports remained in positive territory due to increase in exports to other countries including UAE, Hong Kong, Bangladesh and Saudi Arabia.

The erratic tariffs imposed by Trump has imposed substantial uncertainties for companies located in different countries including India. For instance, on 25th Sept'25, the US announced 100 per cent tariff on the pharma sector effective from 1st October 2025,¹⁶ which will be applicable on branded or patented pharmaceutical products, except on companies building their manufacturing plants in the US. For India, out of the total pharma exports from India to the US, generic medicines constitute the most, therefore, majority of India's pharmaceutical exports to the US is expected to remain shielded from the tariff impact.

In Sept'25, merchandise trade deficit widened to 13-month high of US\$ 32.1 billion from US\$ 24.7 billion in September 2024 on account of the increasing non-oil deficit.¹⁷ While merchandise exports expanded at a moderate pace, merchandise imports surged in September. The increase in exports was driven by petroleum, oil and lubricants

¹³ <https://www.quantumamc.com/article/debt-monthly-for-october-2025>

¹⁴ <https://www.quantumamc.com/article/debt-monthly-for-october-2025>.

¹⁵ CCIL SDL Quarterly (July-Sept2025).

¹⁶ RBI Oct'25 Bulletin.

¹⁷ According to CMIE data.

(POL) that surged by 15.5 per cent (yoy), likely driven by higher volumes. There was certain decline in unit realisation from exports due to softening of Brent crude prices. However, oil prices may face volatility due to recent sanctions imposed by Trump on Russia. Electronic exports have also seen surge by 50.3 per cent, on the other hand, exports of readymade garments (RMG), cotton yarn/fabrics etc; and plastic and linoleum products were lower in the range of 10-12 per cent (yoy) in Sept'25.

16. Forex Reserves & FDI inflows Trends:

As per the RBI's weekly data, the forex reserves on 17 Oct'25 remains at \$702280 million which was \$697784 million on 10 Oct'25. Interestingly, the share of gold holdings has increased during this period from \$102365 mn to \$108546 mn, whereas the share of the Foreign Currency Assets (FCAs) has declined from \$572103 mn to \$570411 during the period. The share of the Special Drawing Rights (SDR) has increased marginally from \$18684 mn to 18722. Interestingly, central banks of different countries have started increasing their gold holdings amid political uncertainties as well as due to a forced move towards de-dollarisation attempt due to erratic sanctions imposed by Trump on different countries' crucial commodities/exportable etc. As per certain media news, the Finance Ministry, GoI is also exploring measures for enhancing the volume of gold and silver transactions through the India International Bullion Exchange (IIBX) at GIFT City in Gujarat's Gandhinagar.¹⁸

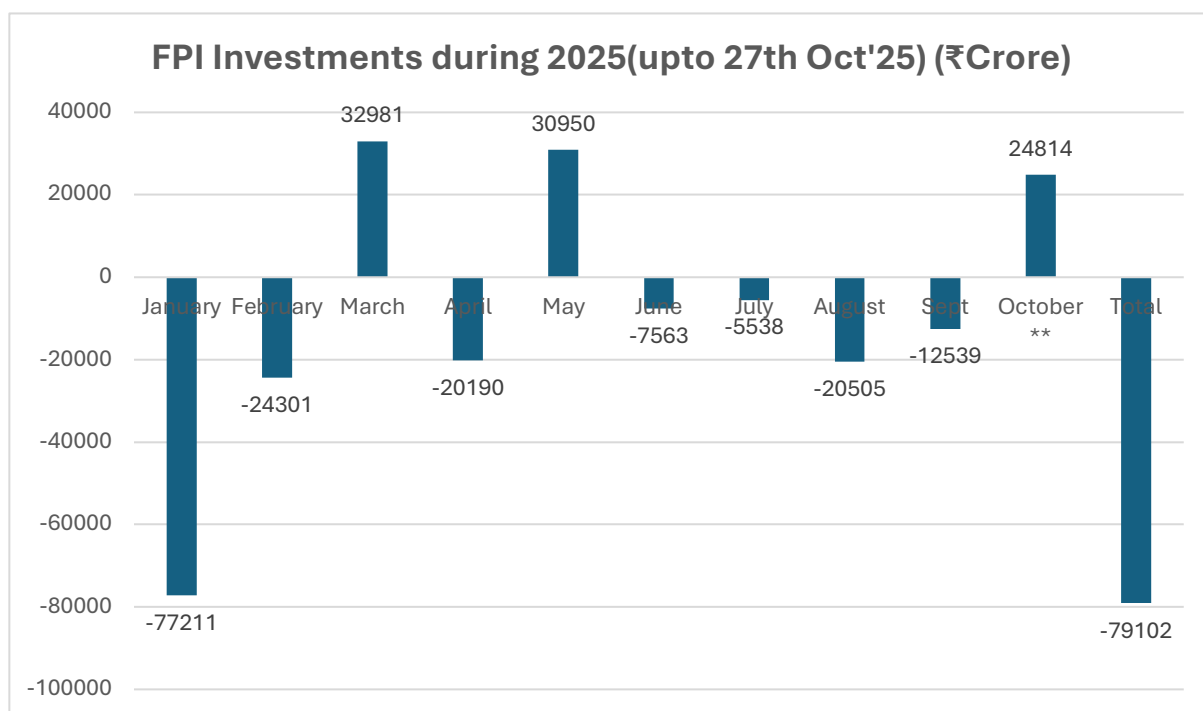
The net FDI inflows have declined at (-) \$616 million¹⁹ during Aug'25 due to decline in repatriation and disinvestment. For instance, repatriation or disinvestment in Aug'25 has declined to \$4928 mn from \$5207 mn a year ago. While there is an equity outflows to the tune of \$304 mn (\$5005 mn less \$4701 during Aug'24~Aug'25), other capital inflows have increased from \$202mn to \$227mn during the same period.

17. Foreign Portfolio Investments (FPI) trends:

For both Aug ~Sept'25, there are consecutive equity FPI outflows of ₹(-)34993 cr, and (-)₹23885 cr respectively. In the month of the October, (until 27th Oct'25), however, there is an inflow of ₹7896 cr. In the debt-VRR segment, there is an outflow of (-)₹391 cr. For the entire year 2025, until 27th Oct'25 so far, there is an aggregate equity FPI outflow of (-)₹146624 cr.; whereas there is total (-)₹9502 cr debt VRR outflows. There are total FPI withdrawal to the tune of ₹79102 cr in the entire year so far.

¹⁸ Financial Express (27 Oct'25).

¹⁹ https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/34T_20102025B8CE0172396144A88A72C330A668E177.PDF

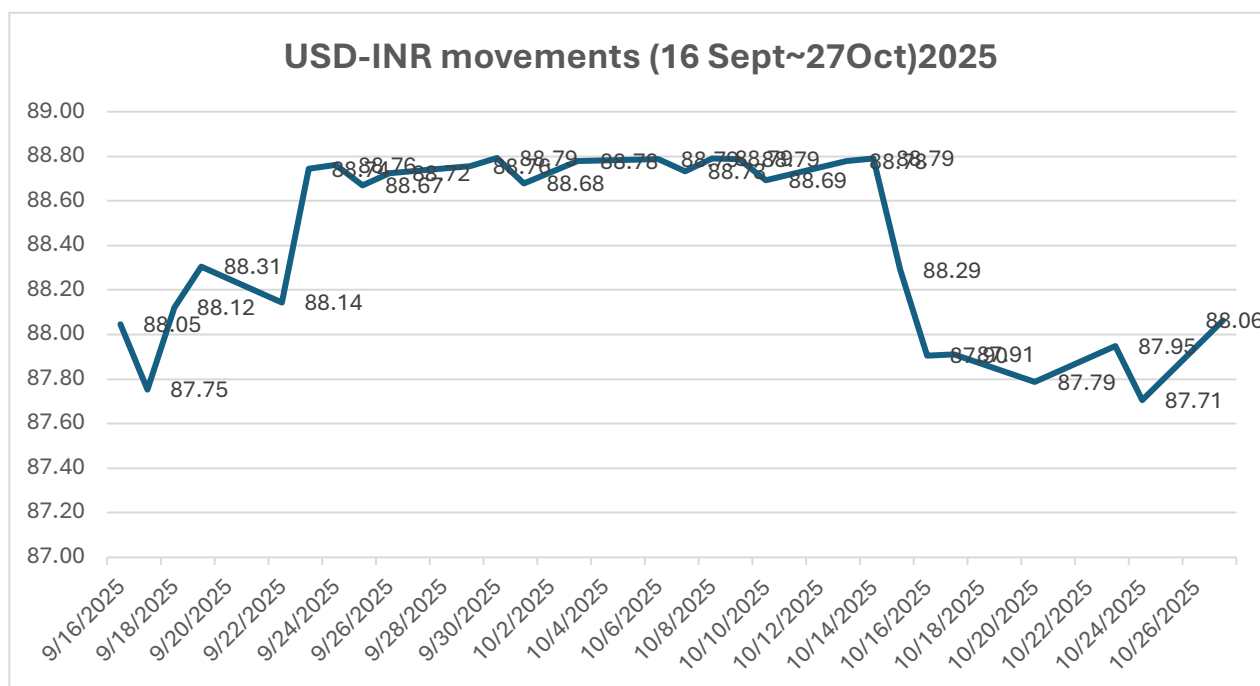


Source: NSDL.

18. USD-INR movements:

The Indian Rupee (INR) was hovering around ₹87.7-87.9 per US Dollar (USD) during the third week of October 2025, indicating an appreciation from the average of ₹88.7 per USD in the first two weeks of the month. This sudden strengthening can be primarily attributed to heavy intervention by the Reserve Bank of India (RBI) in both spot and forward markets. Due to “Trump-tariff” effect, Indian external balance is likely to face some headwinds during Dec’25, which might push further downward pressure on INR. However, the weakening trend of the USD may help to partially offset the downward pressure on the INR.

Additionally, crude oil price is likely to decline in the December quarter, which would extend some support to the currency. The weakening trend of the USD may help to partially offset the downward pressure on the INR. Additionally, crude oil price is likely to decline in the December quarter, which would extend some support to the currency.



Source: RBI

Concluding Remarks:

The global economic equations have been on the path of transition, especially in the post-Covid era, which has been evolving gradually towards de-globalisation which is reflected in a fragmented world order. Economic agents including central banks of many countries are resorting towards increasing their gold holdings reducing dollar denominated assets. The current mayhem in global economy caused by the random increases in import tariffs by the US appears to have polarised the world. On one hand, the original members of the BRICS bloc including India, China and Brazil, and few other emerging economies have been reducing their holding of the US treasury bonds.

On the other hand, most advanced economies including the UK, Japan and France have continued to buy US government securities between July 2024 and July 2025. According to the US treasury department data, India held \$219 billions of US government bonds in July 2025, which is 8 per cent lower compared to treasury bonds worth \$238.8 billion held in July 2024. Fragmentation has become the new norm, which has increased the global economic complexity substantially. India should carefully and diplomatically strategize in this era to optimise self-interest and economic growth.