



February 19, 2025 – Wednesday

Economy

Economy projected to grow 6.4% in Q3 as govt spending increases: ICRA

ICRA on Tuesday projected India's GDP to grow 6.4 per cent in the December quarter on account of enhanced government spending amid uneven consumption. The Indian economy grew at 6.7 per cent in April-June, but it slowed to a seven-quarter low of 5.4 per cent in September quarter on sluggish government capital expenditure due to general elections and weak consumption demand.

https://www.business-standard.com/economy/news/economy-projected-to-grow-6-4-in-q3-as-govt-spending-increases-icra-125021800380_1.html

Unemployment rate in urban areas dips to 6.4% in December quarter: NSSO

The unemployment rate for people aged 15 years and above in urban areas dipped to 6.4 per cent in the October-December quarter, according to the National Sample Survey Survey (NSSO). The unemployment rate among females (aged 15 years and above) in urban areas declined to 8.1 per cent in October-December 2024 from 8.6 per cent in the same quarter a year ago. The rate was 8.4 per cent in July-September, 2024. Among males, the unemployment rate in urban areas remained flat at 5.8 per cent in October-December 2024 as compared to the rate of the same quarter a year ago. The rate was 5.7 per cent in July-September, 2024.

https://www.business-standard.com/economy/news/unemployment-rate-in-urban-areas-dips-to-6-4-in-december-quarter-nss-125021800714_1.html

Over 2.8 million companies registered in India, 65% active: Govt data

More than 2.8 million companies are registered in the country and only 65 per cent of them or little over 1.81 million companies are active, according to official data. Among those registered under the Companies Act, 2013, just 5,216 are foreign companies and out of those, 63 per cent or 3,281 entities were active at the end of January.

https://www.business-standard.com/companies/news/over-2-8-million-companies-registered-in-india-65-active-govt-data-125021800695_1.html

India faces growing job crisis: Just 42.6% of graduates are employable

India's job market is at a crossroads. As industries evolve with artificial intelligence (AI) and automation, fresh graduates are struggling to keep up. A new report, India's Graduate Skill Index 2025 by Mercer-Mettl, reveals that only 42.6 per cent of Indian graduates are employable — marking a decline from 44.3 per cent in 2023.

https://www.business-standard.com/industry/news/india-job-market-graduate-skill-gap-ai-automation-employability-2025-125021800437_1.html

India's fiscal trajectory in line with our expectations: S&P Global Ratings

S&P Global Ratings on Tuesday said that India has a strong record of meeting revenue targets and the fiscal deficit target at the central level, and the rating agency's expectations for India's fiscal trajectory are in line with projections made in Budget FY26. Addressing a webinar, S&P economists said that the targets set by India on the revenue side are realistic, including the enhanced dividend from the Reserve Bank of India (RBI).

https://www.business-standard.com/economy/news/india-s-fiscal-trajectory-in-line-with-our-expectations-s-p-global-ratings-125021800675_1.html

Finance

RBI should focus on liquidity if it wants to support growth: Mishra

If the Reserve Bank of India's (RBI) goal is to ease financial conditions, which will consequently lead to higher credit offtake and support growth, it should focus on alleviating the persistent tight liquidity conditions rather than cutting the policy rate, said Neelkanth Mishra, chief economist, Axis Bank. "If the objective is to ease financial conditions and support growth, which is what the Monetary Policy Committee (MPC) has stated, my prescription will be to focus on liquidity first, because at this stage, cutting rates is not helping," Mishra, who is also a part-time member of the Prime Minister's Economic Advisory Council.

https://www.business-standard.com/finance/news/rbi-should-focus-on-liquidity-if-it-wants-to-support-growth-mishra-125021801060_1.html

RBI launches 'RBIDATA' app to offer access to economic, financial data

Reserve Bank on Tuesday launched mobile application 'RBIDATA' which will provide access to more than 11,000 different series of economic data related to the Indian economy. The mobile app offers macroeconomic and financial statistics relating to the Indian economy in a user-friendly and visually engaging format, Reserve Bank of India (RBI) said in a release. Users will be able to view time series data in graphs/charts and download data for analysis. There will also be details such as data source, unit of measurement, frequency and recent updates.

https://www.business-standard.com/finance/news/rbi-launches-rbidata-app-to-offer-access-to-economic-financial-data-125021801198_1.html

Banks expect microfinance delinquencies to ease from next quarter

The stress in the microfinance sector is unlikely to ease soon, and banks expect to see the trend of heightened delinquencies in microfinance loans to continue in the current quarter. According to bankers, some green shoots in MFI loans are visible, but any decline in delinquencies can only be expected from the next quarter. The new law introduced recently to prevent coercive actions for loan recoveries will impact collections by lenders.

<https://www.financialexpress.com/business/banking-finance-banks-expect-microfinance-delinquencies-to-ease-from-next-quarter-3752335/>

FM calls for one-year free look period to boost insurance policy reviews

Finance Minister Nirmala Sitharaman has urged insurance companies to extend the free look period from one month to a year, according to business news channel CNBC-TV18. If implemented, extended free look will give policyholders more time to assess policies and obtain a full refund of premiums if they find the terms unsuitable. Last year, the insurance regulator increased the period to 30 days from 15 days.

https://www.business-standard.com/finance/personal-finance/finance-minister-urges-insurers-to-extend-free-look-period-what-s-it-125021800490_1.html

IRDAI permits one-time UPI mandate for buying life, health cover

The Insurance Regulatory and Development Authority of India (IRDAI) has permitted a one-time mandate for blocking the amount towards premium through Unified Payments Interface (UPI) mandate for issue of life and health insurance policies.

<https://www.thehindubusinessline.com/money-and-banking/irdai-permits-one-time-upi-mandate-for-buying-life-health-cover/article69234994.ece>

Health cover premium crosses ₹1 lakh crore mark in first 10 months of FY25

Health insurance segment is continuing to drive growth in the non-life industry and has crossed the milestone of ₹1 lakh crore mark in the current fiscal year ending January 2025 compared to the same period last year. According to CareEdge Ratings, public sector general insurers' January 2025 figures continue to outpace their private peers primarily due to changes in the reporting requirements.

<https://www.thehindubusinessline.com/news/health-cover-premium-crosses-1-lakh-crore-mark-in-first-10-months-of-fy25/article69234293.ece>

SEBI proposes tighter security for investors' trading accounts

The Securities and Exchange Board of India (SEBI) has proposed a SIM-binding mechanism to prevent unauthorised transactions in investors' trading or demat accounts. This mechanism—similar to that of Unified Payments Interface (UPI) payments — will ensure that a user can login to their trading account once the unique client code (UCC) matches with the linked mobile device and SIM.

<https://www.thehindubusinessline.com/money-and-banking/sebi-proposes-tighter-security-for-investors-trading-accounts/article69235068.ece>

SEBI may ease derivatives norms

The Securities and Exchange Board of India (SEBI) may increase the short position limit for index derivatives by up to 4x, a move that would benefit prop and institutional traders ahead of a new rule that takes effect in April, two people familiar with the matter said.

<https://www.thehindubusinessline.com/markets/sebi-may-ease-derivatives-norms/article69234262.ece>

Ireda arm gets provisional registration as finance co at Gujarat GIFT City

State-owned IREDA on Tuesday said its wholly-owned arm has been granted provisional registration as a finance company at Gift City in Gujarat. IREDA Global Green Energy Finance IFSC Limited has received the Certificate of Registration dated February 18 from International Financial Services Centre Authority (IFSCA) to undertake the activities as a finance company, IREDA said in an exchange filing.

https://www.business-standard.com/companies/news/ireda-arm-gets-provisional-registration-as-finance-co-at-gujarat-gift-city-125021800730_1.html

Corporate bond yields continue to harden despite RBI's repo rate cut

Despite the Reserve Bank of India's (RBI's) recent decision to cut repo rate by 25 basis points (bps), corporate bond yields continue to rise due to a persistent liquidity deficit in the banking system over the past nine months, market participants said. The rise in yields is also driven by a surge in corporate bond supply, as companies issue more debt to raise capital, putting upward pressure on yields.

https://www.business-standard.com/economy/news/corporate-bond-yields-continue-to-harden-despite-rbi-s-repo-rate-cut-125021800919_1.html

Industry

Centre to soon announce scheme for electronic component manufacturing

PLI scheme for components will have a range of incentives designed for specific components. The Centre is aware that component manufacturing faces multiple challenges, ranging from high upfront capex cost, high investment turnover ratio, gestation period and challenges on technological capabilities, said Sushil Pal, Joint Secretary, MeitY.

<https://www.thehindubusinessline.com/economy/centre-to-soon-announce-scheme-for-electronic-component-manufacturing/article69234038.ece>

FMCG earnings: Acquisitions to drive growth going forward

With the fiscal third quarter earnings season now over, here is a look at how the FMCG industry performed during the last quarter. Elara Securities said that Nifty FMCG has underperformed Nifty 50 by 2 per cent (up at 10 per cent CAGR) since FY19. This, it added, has come after a strong 8 per cent outperformance (versus Nifty 50) in the prior nine years through FY10-19. In the next phase, FMCG players will be forced to go for more acquisitions and scale-up adjacent portfolios.

<https://www.financialexpress.com/business/industry-fmcc-earnings-acquisitions-to-drive-growth-going-forward-3752643/>

India leading the next phase of global outsourcing expansion: Deloitte report

India's outsourcing landscape is undergoing a significant transformation, with 81% of organisations planning to increase outsourcing efforts over the next three to five years, according to Deloitte's latest report, 'The Outsourcing Compass: Decoding Strategies of Today'. This shift is driven by the growing demand for technological advancements, access to specialized expertise, and cost efficiency. As India is set to become the world's third-largest economy by 2027, it continues to strengthen its position as a global outsourcing hub.

<https://www.financialexpress.com/business/industry-india-leading-the-next-phase-of-global-outsourcing-expansion-deloitte-report-3752404/>

AC makers may struggle to meet peak summer demand again

Air conditioner (AC) manufacturers may once again struggle to meet peak summer demand if it rises beyond a certain threshold, as the domestic production of compressors remains inadequate. The country currently produces around 6 million compressors annually, significantly short of the estimated requirement of 10 million units. The gap is primarily met through imports, mainly from China. However, delays in the Bureau of Indian Standards (BIS) certification process continue to hamper production and disrupt supply schedules, industry executives said.

<https://www.financialexpress.com/business/industry-ac-makers-may-struggle-to-meet-peak-summer-demand-again-3752296/>

Agriculture

Industry body calls for broken rice exports as stocks hit nine times target

India needs to allow the export of 100% broken rice after inventories of the grain reached a record high at the start of February, nearly nine times the government's target, exporters told Reuters. Exports of 100% broken rice could help reduce stocks in the world's biggest exporter and enable poor African countries to secure the grain at lower prices, as well as support Asian animal feed and ethanol producers that rely on the grade.

https://www.business-standard.com/industry/news/industry-body-calls-for-broken-rice-exports-as-stocks-hit-nine-times-target-125021800641_1.html

Infrastructure

Ficci, Assocham demand input tax credit for real estate under CGST

Industry bodies Ficci and Assocham have demanded that real estate developers should be allowed to claim Input Tax Credit (ITC) under the Central Goods and Services Act (CGST) on commercial assets constructed for leasing purposes. The associations have written letters to the finance ministry and have urged the latter to permit availing of the ITC where the immovable property is constructed for the provision of leasing services.

https://www.business-standard.com/industry/news/ficci-asso-cham-demand-input-tax-credit-for-real-estate-under-cgst-125021800694_1.html

Indian infra cos build abroad for faster growth, higher margins

Indian infrastructure companies like L&T, KEC International, Afcons, and Tata Projects are expanding their international portfolios to mitigate domestic risks and capitalize on higher-margin global projects. The Middle East, Africa, and the Americas are key regions, with improved project execution and financial stability driving this shift.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/construction/indian-infra-cos-build-abroad-for-faster-growth-higher-margins/articleshow/118338196.cms>

Energy

Capacity additions, power supply management cools down prices on exchanges

A combination of installed capacity additions coupled with better utilisation of electricity supply amidst robust demand has helped cool down prices on power exchanges for the fourth month running. The trend was witnessed during November 2024, December 2024 and January 2025 with weighted MCP declining Y-o-Y by 15% (₹3.52 per unit), 18% (₹3.86 per unit) and 27% (₹4.40 per unit), respectively.

<https://www.thehindubusinessline.com/economy/capacity-additions-power-supply-management-cools-down-prices-on-exchanges/article69233204.ece>

Use of renewable energy, solar rooftops exemplify shift towards greener future: Minister Manohar Lal

Union Housing and Urban Affairs minister Manohar Lal highlighted India's transition from thermal to renewable energy, emphasising solar rooftops and regenerative braking in metros. He praised the Delhi Metro for contributing to sustainability and introduced India's first vertical bi-facial solar plant on the metro viaduct.

<https://economictimes.indiatimes.com/industry/renewables/use-of-renewable-energy-solar-rooftops-exemplify-shift-towards-greener-future-minister-manohar-lal/articleshow/118355340.cms>

Telecom

TRAI recommends bringing teleport operators, IXPs under authorisation regime

Telecom Regulatory Authority of India (TRAI) has recommended regulating new telecom entities such as satellite earth station gateway providers under a new authorisation regime. Cloud-hosted networks and mobile number portability providers will also be included, while content delivery networks are excluded. The recommendations aim to foster growth and ease doing business. Application fees and guarantees for authorisations are specified.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/trai-recommends-bringing-teleport-operators-ixps-under-authorisation-regime/articleshow/118337940.cms>

To check spam, Trai plans to regulate telemarketers

The Telecom Regulatory Authority of India (Trai) will soon introduce a consultation paper detailing a regulatory framework for telemarketers to curb pesky calls and financial fraud. This move follows criticisms from major telecom operators like Reliance Jio, Bharti Airtel, and Vodafone Idea that current regulations unfairly burden them while excluding telemarketers and OTT communication providers.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/to-check-spam-trai-plans-to-regulate-telemarketers/articleshow/118338124.cms>

States

Kerala to request extension for Rs 529.50 cr loan for Wayanad rehab

Kerala Finance Minister K N Balagopal on Tuesday said the state government would approach the Centre to request an extension for utilising its conditional loan of Rs 529.50 crore allocated for Wayanad rehabilitation. The state government had already termed the union government's stipulation to utilise the amount by March 31, as a "huge practical problem."

https://www.business-standard.com/politics/kerala-to-request-extension-for-rs-529-50-cr-loan-for-wayanad-rehab-125021800456_1.html

Rajasthan CM calls for roadmap to make India water-sufficient by 2047

Rajasthan Chief Minister Bhajanlal Sharma on Tuesday said that to achieve the goal of making India water-sufficient by 2047, it is important to have a well-organised roadmap, including water conservation techniques. Sharma was addressing the second All India Conference of State Water Ministers in Udaipur.

https://www.business-standard.com/politics/rajasthan-cm-calls-for-roadmap-to-make-india-water-sufficient-by-2047-125021800814_1.html

Electronics is a champion sector for Tamil Nadu: Industries Secretary

Tamil Nadu has a lot of ambitions in the electronics sector, but still has got miles to go. There is a need to improve the component manufacturing ecosystem. The value addition has to increase, said Industries Secretary Arun Roy. Nearly 32 per cent of electronics consumer goods and about 45 per cent of computers and peripherals manufactured in India are manufactured in Tamil Nadu.

<https://www.thehindubusinessline.com/news/national/electronics-is-a-champion-sector-for-tamil-nadu-industries-secretary/article69233531.ece>

Sarbananda Sonowal inaugurates new inland waterways terminal at Jogighopa; 110 MT of coal, stone chips sent to Bangladesh

Union Minister Sarbananda Sonowal inaugurated the Inland Waterways Terminal at Jogighopa, Assam, sending the first shipment to Bangladesh. The terminal is strategically situated to boost trade with Bhutan and Bangladesh and is expected to handle 1.1 million tonnes of cargo annually by 2027.

<https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/around-110-metric-tonnes-of-coal-and-stone-chips-were-sent-to-bangladesh-in-a-ship-from-jogighopa-in-assam/articleshow/118360515.cms>

Healthcare

Companies told to revise MRP of duty-waived medicines

The National Pharmaceutical Pricing Authority (NPPA) has asked drug manufacturers and associated marketing companies to revise the maximum retail price (MRP) of the medicines and formulations on which the government has removed customs duty in this year's budget.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/companies-told-to-revise-mrp-of-duty-waived-medicines/articleshow/118366368.cms>

Reconsider price display order: Pharmacists' lobby to NPPA

The Indian Pharmaceutical Association (IPA) has raised concerns regarding the recent diktat of the National Pharmaceutical Pricing Authority (NPPA) which had stated that all pharmacies, including online retailers, should mention the prices of drugs in a conspicuous area. The IPA has asked for an exemption, saying it is not feasible and practical to follow the mandate.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/reconsider-price-display-order-pharmacists-lobby-to-nppa/articleshow/118366464.cms>

Pharma market in good health

India's pharma market grew 8.7% on year in January, driven by robust performance in key therapy areas like cardiac, anti-infectives, neuro/CNS and derma, according to a research firm.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/pharma-market-in-good-health-lifestyle-diseases-may-be-rising/articleshow/118366199.cms>

External

India will have GDP loss of 50 bps if US applies 20 pc reciprocal tariffs: SBI

State Bank of India predicts a potential 50 basis points loss to India's GDP if a 20 per cent tariff is imposed on Indian exports to the US. The agriculture, financial, and chemical sectors would be significantly impacted. The report also mentions that this scenario is unlikely. India and the US continue to engage in discussions to resolve tariff disputes.

<https://economictimes.indiatimes.com/news/economy/indicators/india-will-have-gdp-loss-of-50-bps-if-us-applies-20-pc-reciprocal-tariffs-sbi/articleshow/118348994.cms>

India, Qatar exchange agreement on establishment of strategic partnership

India and Qatar on Tuesday exchanged an agreement on establishment of strategic partnership between the two countries. The documents were exchanged in the presence of Prime Minister Narendra Modi and Amir of Qatar Sheikh Tamim Bin Hamad Al-Thani here. The MEA earlier said his visit will provide "further momentum to our growing multifaceted partnership".

https://www.business-standard.com/external-affairs-defence-security/news/india-qatar-exchange-agreement-on-establishment-of-strategic-partnership-125021800493_1.html