



February 27, 2025 – Thursday

Economy

Worst over for India's economy, Q3 GDP growth seen at 6.2%: Deutsche Bank

The worst seems to be over for the Indian economy's growth trajectory, a German brokerage said on Thursday. GDP growth, which had slipped to a seven-quarter-low of 5.4 per cent in the September quarter leading to a lot of concerns over the economy's strength, is likely to rise to 6.2 per cent in the December quarter, the report by Deutsche Bank said.

https://www.business-standard.com/economy/news/worst-over-for-india-s-economy-q3-gdp-growth-seen-at-6-2-deutsche-bank-125022600760_1.html

MGNREGS, PMAY-G account for 75% of rural development dept's budget: Report

Flagship rural employment scheme MGNREGS and housing scheme PMAY-G together account for 75 per cent of the budgetary allocation for the Department of Rural Development, a new report has said. In the union budget for 2025-26, the Ministry of Rural Development was allocated Rs 1,90,406 crore.

https://www.business-standard.com/economy/news/mgnregs-pmay-g-account-for-75-of-rural-development-dept-s-budget-report-125022600597_1.html

90% Indians have no discretionary spending power

Nearly 100 crore Indians, 90 per cent of the country's population, lack discretionary spending power to purchase goods or services, according to media reports citing a study by venture capital firm Blume Ventures. The top 10 per cent of India's population—equivalent to Mexico's entire population of around 13-14 crore—remains the primary driver of consumption and economic growth, as highlighted in the Indus Valley Annual Report 2025 by Blume Ventures.

<https://www.financialexpress.com/policy/economy-90-indians-have-no-discretionary-spending-power-blume-ventures-report-3761362/>

Rural India spending more time on education than urban India

Students in rural areas spent more time on "learning activities" in 2024 than their peers in urban parts of India, revealed findings from the latest Time Use Survey (TUS) released by the Ministry of Statistics and Programme Implementation (Mospi) on Tuesday. The study also suggested that over the last five years, girls have closed the gap with boys, who were spending less time on "learning activities" now.

https://www.business-standard.com/economy/news/rural-india-spending-more-time-on-education-than-urban-india-survey-125022600958_1.html

Early IIP release may undermine data quality further: Experts

In order to cut the time lag in publishing the index of industrial production (IIP) data, the ministry of statistics and programme implementation (MoSPI) has now advanced the release date of the monthly-IIP print. Experts say the quickness in data release was much-needed, but warn that this may in turn affect data quality unless remedial measures are taken.

<https://www.financialexpress.com/policy/economy-early-iip-release-may-undermine-data-quality-further-experts-3760292/>

Finance Ministry in talks to work out formal mechanism for global arbitration

The finance ministry is collaborating with other ministries to improve handling of international arbitrations under bilateral investment treaties. They plan to form a response team and revise the BIT template. The new template will allow 2-3 years to exhaust local remedies before pursuing global arbitration. This aims to balance investor-friendly provisions with sovereign policy-making space.

<https://economictimes.indiatimes.com/news/economy/policy/finance-ministry-in-talks-to-work-out-formal-mechanism-for-global-arbitration/articleshow/118584897.cms>

EPFO likely to reduce interest rate for FY25 in Friday board meeting

The Central Board of Trustees of the Employees' Provident Fund Organisation (EPFO) is likely to effect a reduction in the interest rate paid on retirement savings accumulated by its nearly 300 million members for this financial year, in the wake of ebbing stock markets and bond yields, combined with higher settlements of claims. The trustees, slated to meet this Friday to take a call on the EPF rate for 2024-25, had raised the annual payout rate to 8.25 per cent last year from 8.15 per cent in 2022-23.

https://www.business-standard.com/economy/news/epfo-likely-to-reduce-interest-rate-for-fy25-in-friday-board-meeting-125022600951_1.html

Finance

RBI's risk weights seen as macro prudential step to support economic growth

The Reserve Bank of India's (RBI's) decision to relax risk weights on loans to non-banking financial companies (NBFCs) and microfinance institutions (MFIs) is being seen as a macroprudential measure to support economic growth. It will free up 20–30 basis points (bps), or ₹40,000 crore, in capital for the banking system at an aggregate level, translating into ₹4 trillion in additional loanable funds. However, given the tight liquidity situation, policy transmission could take some time, experts said.

https://www.business-standard.com/finance/news/rbi-s-risk-weights-seen-as-macro-prudential-step-to-support-economic-growth-125022600864_1.html

MFIs' Q3 loan disbursements fall to two-year low: Report

Loan disbursements by microfinance institutions shrank to a over two-year low in the December quarter to Rs 220.9 crore, down 36% compared with the year-ago period. The number of new loans disbursed registered a de-growth of 29%, according to the 52nd edition of Micrometer, a publication of the Microfinance Industry Network (MFIN), released on Tuesday.

<https://www.financialexpress.com/business/banking-finance-mfis-q3-loan-disbursements-fall-to-two-year-low-report-3760416/>

Banks turn to infra bonds for funds as deposit growth lags

Banks mopped up 75 per cent more resources via infrastructure bond issuances in the current financial year so far in the backdrop of deposit growth lagging credit growth and the cost of funding via this route being as competitive as term deposits. They collectively raised ₹89,588 crore via infrastructure (infra) bond issuances in the first 11 months of the current financial year against ₹51,081 crore in the year ago period.

<https://www.thehindubusinessline.com/money-and-banking/banks-increase-infrastructure-bond-issuances-to-raise-funds-surpassing-tier-2-and-at-1-bonds-attracting-investors-seeking-safety-and-stability/article69266137.ece>

India's venture capital funding jumps 70% in January, outpaces China

India's venture capital (VC) funding surged 69.7 per cent year-on-year (Y-o-Y) to \$883.2 million in January 2025 from \$520.5 million, driven by a sharp rise in deal volume, according to data from GlobalData. The number of VC deals also increased by 40.9 per cent to 131 from 93 in the same month last year.

https://www.business-standard.com/finance/news/india-s-venture-capital-funding-jumps-70-in-january-outpaces-china-125022600634_1.html

Paytm, DPIIT partner to support fintech startups with mentorship & funding

One97 Communications Ltd, the parent company of Paytm has signed an agreement with the government under which it will provide mentorship, infrastructure support, market access, and funding opportunities to startups, reported *PTI*, citing officials from the company. According to the report, the Memorandum of Understanding (MoU) was signed by the Department for Promotion of Industry and Internal Trade (DPIIT) with Paytm.

https://www.business-standard.com/industry/news/paytm-startup-support-mou-dpiit-india-mentorship-funding-125022600430_1.html

CBDT amends norms, mandates detailed income disclosures for business trusts

The government has amended income-tax norms to enhance transparency in reporting income distributed by trusts such as Alternative Investment Funds (AIFs), Real Estate Investment Trust (REITs) and Infrastructure Investment Trust (InvITs).

https://www.business-standard.com/economy/news/cbdt-amends-norms-mandates-detailed-income-disclosures-for-business-trusts-125022600811_1.html

India needs tax buoyancy in range of 1.2-1.5 to achieve 6.5-7% growth: EY

India has to maintain a tax buoyancy in the range of 1.2-1.5 to achieve a growth of 6.5-7 per cent, a EY report said on Wednesday. The report also said that the government may need to strengthen revenue mobilisation, particularly by increasing the tax-to-GDP ratio from the estimated 12 per cent in FY26 (Budget Estimates) to 14 per cent by FY31.

https://www.business-standard.com/economy/news/india-needs-tax-buoyancy-in-range-of-1-2-1-5-to-achieve-6-5-7-growth-ey-125022600361_1.html

Industry

DRDO successfully test fires first-of-its-kind naval anti-ship missile

India has successfully test fired a first-of-its-kind naval anti-ship missile from Chandipur off the coast of Odisha. The trials carried out on Tuesday demonstrated the missile's capability against ship targets, the defence ministry said.

https://www.business-standard.com/external-affairs-defence-security/news/drdo-successfully-test-fires-first-of-its-kind-naval-anti-ship-missile-125022600970_1.html

Airfare to rise not more than 1.5% if tariff proposal accepted: DIAL

Ticket prices of passengers travelling to and from Delhi airport will rise by no more than 1.5 per cent if the Airports Economic Regulatory Authority (AERA) approves the tariff proposal submitted by Delhi International Airport Limited (DIAL), the latter's chief executive officer (CEO) Videh Kumar Jaipuria said on Wednesday.

https://www.business-standard.com/companies/news/airfare-to-rise-not-more-than-1-5-if-tariff-proposal-accepted-dial-125022600791_1.html

Consumer staples industry may see subdued volume trajectory in Q4

The fiscal third quarter was yet another subdued one for the consumer staples segment with indication of it already there from post Q2 commentaries highlighting urban slowdown/weak festive demand/delayed winter. According to JM Financial, volume trajectory is expected to remain subdued in the fourth quarter as well. "Our analysis suggests that Q4FY25 consensus expectations for staples have been toned down, especially on the EBITDA front – 5 per cent cut vs estimates prior to Q3 results, resulting in low-single-digit EBITDA growth. From a medium-term perspective, we have seen a consensus earnings cut of 4 per cent for FY26/27E for our staples coverage (ex-ITC) companies," the brokerage firm said.

<https://www.financialexpress.com/business/industry-consumer-staples-industry-may-see-subdued-volume-trajectory-in-q4-heres-why-3760706/>

Agriculture

MSP purchases of rabi pulses and oil seeds from next month

After a record kharif purchase of oilseeds under price support scheme, farmers' cooperative Nafed and NCCF would commence purchase of rabi oilseeds and pulses from farmers under the minimum support price (MSP) from next month. Sources said that while purchase of tur, a key kharif pulses variety has commenced, its likely to peak in the next few weeks while purchase of rabi pulses – chana and masur would commence by middle of next month. So far 0.2 MT of tur has been purchased.

<https://www.financialexpress.com/policy/economy-msp-purchases-of-rabi-pulses-and-oil-seeds-from-next-month-3760360/>

Farmers' share in rabi crop consumer prices ranged from 40-67%: RBI survey

A pan-India survey conducted by Reserve Bank of India (RBI) officials has revealed that farmers received a share ranging from 40-67 per cent of consumer prices for major rabi crops. The survey, which covered major rabi crops during May-July 2024, found that farmers' share is higher for non-perishable crops and lower for fruits and vegetables. Wheat farmers emerged as the biggest beneficiaries, with a 67 per cent share of consumer prices, owing to the fact that wheat is a notified commodity, with a significant portion of produce sold through the public procurement system.

<https://indianexpress.com/article/business/economy/farmer-share-rabi-crop-rbi-survey-price-9858131/>

New MRL framework for spices in the offing; to help improve market access

A revised maximum residue level (MRL) framework for spices and culinary herbs, which can help improve market access for Indian exporters, is in the offing. FSSAI readies draft framework revising the maximum residue levels to 98 from current 11, backed by extensive data monitoring.

<https://www.thehindubusinessline.com/economy/agri-business/new-mrl-framework-for-spices-in-the-offing-to-help-improve-market-access/article69267218.ece>

Create a direct correlation between FRP and sugar selling price

The sugar industry has transformed significantly over the past decade, primarily due to the rising importance of ethanol, says Deepak Ballani, Director General of the Indian Sugar & Bio-energy Manufacturers Association (ISMA). In an interaction with ET Digital, Ballani points out that the industry has made substantial progress as challenges such as payment delays, farmer protests, and viability concerns have largely been mitigated. However, significant challenges persist; one such concern, according to Ballani, is that the minimum selling price of sugar is still lower than the production costs, which is putting financial strain on sugar mills.

<https://economictimes.indiatimes.com/small-biz/sme-sector/create-a-direct-correlation-between-frp-and-sugar-selling-price-says-ismas-deepak-ballani/articleshow/118570809.cms>

Milking opportunities: Dairy players churn growth beyond geographies, and milk

The organised dairy market in India has been witnessing significant activity recently, with players exploring new markets and diversifying product categories to strengthen their presence. Industry players and analysts see a shift as value-added products will drive profitability.

<https://www.thehindubusinessline.com/news/milking-opportunities-dairy-players-churn-growth-beyond-geographies-and-milk/article69266945.ece>

Infrastructure

Freight corridor to raise container traffic speed by four times

After years of delay, the dedicated freight corridor (DFC) project is nearing completion. With December 2025 as the targeted deadline, the two corridors – east and west – will help ease freight traffic, reduce the overall logistics costs, and improve economic efficiency and productivity. The corridors are turning out to be profit centres, helping the government find more non-debt financial resources for rapid modernisation and capacity augmentation of the country's railway systems, and attendant facilities.

<https://www.financialexpress.com/business/railways-freight-corridor-to-raise-container-traffic-speed-by-four-times-3760275/>

Trains with maximum permissible speed exceeding 130 kmph are classified as 'High Speed': Railways

Indian Railways is working on developing trains with speeds up to 320 kmph, while officially reclassifying high-speed trains as those exceeding 130 kmph. Amendments clarify medical examination norms for loco pilots based on this new classification. Currently, the maximum train speed in India is set at 130 kmph, including Vande Bharat trains. <https://economictimes.indiatimes.com/industry/transportation/railways/trains-with-maximum-permissible-speed-exceeding-130-kmph-are-classified-as-high-speed-railways/articleshow/118584083.cms>

Energy

Dedicated green bank may be set up

The government may set up a dedicated national green bank to bridge the funding gap in the renewable energy sector, and fast-track the green transition. The Niti Aayog is examining the possible structures for a National Green Financing Institution. The model of National Bank for Financing Infrastructure and Development or National Bank for Agriculture and Rural Development is also being studied.

<https://www.financialexpress.com/business/industry-dedicated-green-bank-may-be-set-up-3760351/>

India eyes increasing 20% ethanol blending in petrol, says minister Hardeep Singh Puri

Union Petroleum Minister Hardeep S Puri announced India's plans to exceed a 20% ethanol blending target. He mentioned the establishment of a NITI Aayog committee for this initiative. Achievements include the present 19.6% blending rate and significant infrastructure projects. Assam's Chief Minister outlined the state's substantial contribution to India's energy sector, including advancements in natural gas and green hydrogen.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/india-eyes-20-ethanol-blending-in-petrol-says-minister-hardeep-singh-puri/articleshow/118582195.cms>

Critical minerals recovery from waste needs multipronged strategy: Report

Recovery of critical minerals from processing waste requires a multipronged strategy with policy reforms in India, according to a report. Technological development, capacity building and supply chain integration are also needed for the recovery of these minerals from waste, according to a recent Ficci-Deloitte report.

https://www.business-standard.com/industry/news/critical-minerals-recovery-from-waste-needs-multipronged-strategy-report-125022600583_1.html

Govt must double renewable capacity additions to meet 2030 energy targets

India must double its annual solar and wind capacity additions over the next five years to meet its 2030 clean-energy targets, despite record additions in 2024, Global Energy Monitor (GEM) said in a report on Wednesday. India added nearly 28 gigawatts (GW) of solar and wind capacity in 2024, with solar power additions accounting for 70 per cent of total additions, according to the country's renewable energy ministry.

https://www.business-standard.com/industry/news/govt-must-double-renewable-capacity-additions-to-meet-2030-energy-targets-125022600216_1.html

States

Trade, tech, tourism, to be key drivers for Assam's growth: Piyush Goyal

Union commerce and industry minister Piyush Goyal on Wednesday said 3Ts trade, technology and tourism along with 3Is industry, infrastructure and investment will take Assam towards development.

https://www.business-standard.com/india-news/trade-tech-tourism-to-be-key-drivers-for-assam-s-growth-piyush-goyal-125022600908_1.html

Uttar Pradesh eyes Rs 70K cr investment in electronics, data centres

Uttar Pradesh government is targeting private sector investments worth Rs 70,000 crore in electronics manufacturing and data centres. The state government expects Rs 40,000 crore investment and 400,000 jobs opportunities under the UP Electronic Manufacturing Policy (UPEMP). It is eyeing investments worth Rs 30,000 crore under the UP Data Centre Policy 2021. The state plans to set up 8 private data centre parks of total 900 megawatt (Mw) capacity.

https://www.business-standard.com/economy/news/uttar-pradesh-eyes-rs-70k-cr-investment-in-electronics-data-centres-125022600611_1.html

Govt to spend Rs 4,800 cr for waterways development in Assam: Sonowal

Union minister Sarbananda Sonowal said on Wednesday that the Centre will spend Rs 4,800 crore for developing waterways and related infrastructure in Assam in the next five years. The ports, shipping and waterways minister was speaking at a session on the state's road, railway and riverine infrastructure at the 'Advantage Assam 2.0 Investment and Infrastructure Summit' here.

https://www.business-standard.com/india-news/govt-to-spend-rs-4-800-cr-for-waterways-development-in-assam-sonowal-125022600424_1.html

Exports of organic products from Uttarakhand register sharp decline: COII

Exports of organic products from Uttarakhand have dropped by 66% due to policy failures and lack of government incentives. This has led to migration and rendered agriculture unviable. Solutions include government support for farmers, training programs, and infrastructure development.

<https://economictimes.indiatimes.com/small-biz/trade/exports/insights/exports-of-organic-products-from-uttarakhand-register-sharp-decline-coii/articleshow/118571154.cms>

Healthcare

India's pharma sector sees improved USFDA inspection outcomes, says IPA

From 23 per cent in 2014, the share of regulatory violation instances which entail Official Action Indicated (OAI) tag by the US' drug regulator sharply dropped to 11 per cent in 2024, suggesting that Indian pharmaceutical industry has jacked up its compliance with the international standards in the face of more stringent norms.

https://www.business-standard.com/industry/news/india-s-pharma-sector-sees-improved-usfda-inspection-outcomes-says-ipa-125022600856_1.html

India's CRDMO sector can touch USD 25 bn in size by 2035: Report

India's CRDMO sector has the potential to reach USD 22-25 billion by 2035, driven by supply chain de-risking, pricing pressures, and demand for advanced modalities. However, challenges include talent expansion, faster regulatory approvals, and investment constraints. With investments in infrastructure, talent, and policy simplifications, India could become a global CRDMO leader.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/indias-crdmo-sector-can-touch-usd-25-bn-in-size-by-2035-report/articleshow/118575520.cms>

India on the verge of becoming clinical trials hub

India is poised to become a prominent site for early-stage clinical trials, particularly amid the disruptions caused by the Russia-Ukraine conflict. Parexel plans to increase its Indian workforce by over 2,000 within five years, citing lower costs and growing market potential. However, challenges such as regulatory inconsistencies and awareness regarding experimental treatments remain obstacles.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/india-on-the-verge-of-becoming-clinical-trials-hub-parexel-executive-says/articleshow/118576887.cms>

'Around 1% of claims related to mental health in group medical insurance'

A survey conducted in 150 organisations, encompassing sectors like technology, healthcare, and retail, revealed that less than one per cent of corporate health insurance claims are related to mental health. It is in sharp contrast to the last National Mental Health Survey (NMHS) 2015-16, which had revealed that 10.6 per cent adults in India suffered from mental disorders.

https://www.business-standard.com/finance/insurance/around-1-of-claims-related-to-mental-health-in-group-medical-insurance-125022600931_1.html

External

UK secures 17 new export, investment deals during trade secy's India visit

Secretary Jonathan Reynolds and Investment Minister Poppy Gustafsson announced 17 new export and investment deals during their visits to India this week. It also said that New Delhi's recent Union budget drives more opportunity for British insurance companies to expand their presence in India.

https://www.business-standard.com/industry/news/uk-secures-17-new-export-investment-deals-during-trade-secy-s-india-visit-125022600554_1.html

EU pushes for tariff cuts on whiskey, wine, cars in India trade talks

The European Union is pushing for reduced tariffs on key exports such as whiskey, wine, and automobiles as part of its ongoing negotiations for a Free Trade Agreement (FTA) with India. This issue is expected to be a major point of discussion for the 27-member bloc as it works toward finalising the deal, according to a report by *Business Standard*.

https://www.business-standard.com/economy/news/india-european-union-free-trade-agreement-fta-whiskey-wine-automobiles-125022600337_1.html

Australia unveils ambitious roadmap to boost trade & investment ties with India

Australia on Wednesday unveiled an ambitious roadmap to deepen and diversify its trade and investment ties with India. The roadmap identified four "superhighways of growth" -- clean energy, education and skills, agribusiness, and tourism. Broadly, it sets out a pathway to focus ongoing efforts, including to boost two-way investment, and work with Indian-Australian communities and businesses.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/australia-unveils-ambitious-roadmap-to-boost-trade-investment-ties-with-india/articleshow/118574864.cms>

India's tablet PC shipments recover in 2024, register sharp 42.8% on-year growth

Tablet PC shipments in India surged by 42.8% in 2024, reaching 5.73 million units, driven by channel promotions, improved Android features, and government-funded education projects. Consumer and commercial segments grew significantly, with Apple, Samsung, and Lenovo leading the market. Rising notebook prices made tablets an attractive alternative, with commercial adoption increasing in sectors like FMCG and hospitality.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/indias-tablet-pc-shipments-recover-in-2024-register-sharp-42-8-on-year-growth/articleshow/118579177.cms>

Palm oil imports to hit 5-year low amid price shifts, rising output

A recovery in palm oil production and lower imports by price-sensitive consumers are expected to drive prices lower, chipping away the premium of the tropical oil over rivals, even as top producer Indonesia boosts biodiesel production. Benchmark palm oil futures, which jumped 20 per cent in 2024 to a two-year high, have already lost market share as top importers like India shift to cheaper alternatives such as soybean and sunflower oils.

https://www.business-standard.com/industry/news/palm-oil-imports-to-hit-5-year-low-amid-price-shifts-rising-output-125022600665_1.html