



March 17, 2025 – Monday

Economy

Digital competition law won't be hurried: minister

The government is not in a hurry to bring the digital competition law, minister of state for corporate affairs Harsh Malhotra said on Sunday, and called "adequate deliberations" on the draft bill. "In 2023, we have amended the Competition Act to tackle the issue of market dominance effectively. There's still a need for digital competition law. After the due process, the government is keen on bringing this law," the minister said at the 10th national conference on economics of competition law.

<https://www.financialexpress.com/india-news/digital-competition-law-wont-be-hurried-minister/3778737/>

Finance

Banking system in India remains strong despite market concerns

Recent speculation regarding IndusInd Bank has led to some unwarranted speculations among depositors about the health of the above bank. However, a closer look at the fundamentals of the above bank and Indian banking system makes it clear that there is no reason for any alarm. India's financial institutions remain resilient, well-capitalised, and robust under strict regulatory oversight of the RBI, ensuring the stability of the system.

https://www.business-standard.com/economy/analysis/banking-system-in-india-remains-strong-despite-market-concerns-125031600199_1.html

Credit-deposit growth gap likely to dip sharply in FY26: India Ratings

The gap between credit and deposit growth in the banking system is expected to decline sharply to 80 basis points (bps) in the next financial year from an average of 386 bps over the FY22-Q3FY25 period, according to rating agency India Ratings. This would be against the backdrop of sharp moderation in the incremental loan deposit ratio (LDR) of the Indian banking system to 85 per cent in February 2025 from 117-118 per cent in the same month of 2024.

https://www.business-standard.com/finance/news/credit-deposit-growth-gap-to-dip-sharply-to-80-bps-in-fy26-india-ratings-125031600495_1.html

BFSI GCCs reach new heights in India with neo and mid-sized banks

Neo banks, along with mid-sized banks, are establishing global capability centres (GCCs) in India, mirroring the expansion strategies of larger global counterparts. This trend is being seen as the next major wave in the country's banking, financial services, and insurance (BFSI) sector. Neo banks exist solely online and operate independently or in partnership with traditional banks. Their market size is expected to grow to \$395 billion in 2026, up from about \$19 billion in 2018, according to PwC.

https://www.business-standard.com/finance/news/bfsi-gccs-reach-new-heights-in-india-with-neo-and-mid-sized-banks-125031600369_1.html

Govt eyes Rs 1-1.5 lakh crore credit cover for MSMEs under new scheme in FY26

The Centre is targeting Rs 1-1.5 lakh crore credit guarantee cover in 2025-26 for micro, small and medium enterprises, under the newly launched Mutual Credit Guarantee Scheme for MSMEs. The scheme seeks to provide 60% guarantee coverage by National Credit Guarantee Trustee Company Limited (NCGTC) to member lending institutions (MLIs) for credit facility up to Rs 100 crore sanctioned to eligible MSMEs for purchase of equipment or machinery.

<https://www.financialexpress.com/sme-2/govt-eyes-rs-1-1-5-lakh-crore-credit-cover-for-msmes-under-new-scheme-in-fy26/3778734/>

SEBI finalising SoP for settlement cases to ensure uniformity and transparency, says Varshney

Market regulator SEBI is in the final stages of developing a Standard Operating Procedure (SoP) for handling settlement cases, aiming to establish a uniform approach and enhance transparency in the process, said whole-time member Kamlesh Chandra Varshney on Sunday.

<https://www.thehindubusinessline.com/markets/sebi-finalising-sop-for-settlement-cases-to-ensure-uniformity-and-transparency-says-whole-time-member-varshney/article69337628.ece>

FPIs continue sell-off; withdraw Rs 30,000 crore from equities in first fortnight in March

Foreign investors continue to pull back money from the Indian equity market withdrawing a little over Rs 30,000 crore in the first fortnight of the month amid escalation in global trade tensions. This came following an outflow of Rs 34,574 crore from equities in February and Rs 78,027 crore in January.

<https://www.financialexpress.com/market/fpis-continue-sell-off-withdraw-rs-30000-cr-from-equities-in-first-fortnight-in-march-3778554/>

A standardised mechanism under GST to be in place from April 1 for allocating credit to other registered locations/states

Starting April 1, GST system is set to witness a major change as Input Service Distributor (ISD) mechanism will be made mandatory. Experts say such a change aims to ensure that state governments receive their rightful share of taxes on common services procured at a single location.

<https://www.thehindubusinessline.com/economy/a-standardized-mechanism-under-gst-to-be-in-place-from-april-1-for-allocating-credit-to-other-registered-locationsstates/article69336252.ece>

PPT circular doesn't intend to interfere with any other provision of the Indian DTAA's, says CBDT

Apex policy making body for direct taxes, Central Board of Direct Taxes (CBDT) has said that the circular on the application of the Principal Purpose Test (PPT) provision under India's Double Taxation Avoidance Agreements (DTAAs) is not intended to interfere or interact with anti-abuse rules. It also said that the government remains committed to ensuring consistency in tax law interpretation while upholding the existing legal framework.

<https://www.thehindubusinessline.com/economy/ppt-circular-doesnt-intend-to-interfere-with-any-other-provision-of-the-indian-dtaas-says-cbd/article69336197.ece>

Industry

Automakers ready to scorch the roads with new launches in 2025-26

Automobile enthusiasts, prospective car owners and those looking to upgrade are set for a treat, as over the next two years, over 40 models with multiple powertrains are expected to be launched in the Indian market with automakers seeking to attract customers and increase sales.

<https://www.thehindubusinessline.com/companies/automakers-ready-to-scorch-the-roads-with-new-launches-in-2025-26/article69337254.ece>

New electric two-wheeler launches drive market growth despite subsidy cuts

India's electric two-wheeler (e2W) market is experiencing a wave of new launches in 2025 across segments and price points amid growing interest and competition. From premium electric motorcycles to mass-market scooters, manufacturers are rapidly expanding their portfolios to capture a larger share of the booming market. According to data from the Federation of Automobile Dealers Associations (Fada), e2W sales stood at 1,73,820 units in 2025, marking a 5.41 per cent increase from the previous year. In January, sales stood at 97,734 units, reflecting an 18.9

per cent year-on-year (Y-o-Y) increase. However, February saw a dip, with sales dropping to 76,086 units, a Y-o-Y decline of 8.05 per cent.

https://www.business-standard.com/industry/auto/new-electric-two-wheeler-launches-drive-market-growth-despite-subsidy-cuts-125031600183_1.html

Retailers report 52% drop in essential goods sales due to quick commerce

The rise of quick commerce has caused a significant decline in the sale of food, beverages and confectionery in urban centers, as 52 per cent of physical store retailers reported experiencing the drop, according to a report by global consulting firm PwC. The report says that beyond food, personal care (47 per cent) and household cleaning (33 per cent) are also experiencing significant sales reductions. This suggests that quick-delivery models are more disruptive for consumables that consumers frequently purchase in-store. Quick commerce, also known as q-commerce or on-demand delivery, is a type of e-commerce that can deliver orders in 10 to 30 minutes or less.

<https://www.thehindubusinessline.com/economy/retailers-report-52-drop-in-essential-goods-sales-due-to-quick-commerce/article69336072.ece>

Potential in snacks & packed food business, innovating portfolio for Indian taste: PepsiCo

PepsiCo plans to enhance its food segment in India by tailoring products to regional tastes and focusing on innovations and premiumisation. The company will expand its snacks business, addressing low consumption and leveraging growing urbanisation. PepsiCo's diverse brands contribute significantly to its revenue, and its commitment to understanding consumer preferences drives its growth strategy.

<https://economictimes.indiatimes.com/industry/cons-products/food/potential-in-snacks-packed-food-business-innovating-portfolio-for-indian-taste-pepsico/articleshow/119072140.cms>

Domestic jewellery demand takes a hit as gold scales Rs 90,000 per 10 grams

As gold traded at Rs 90,500 to Rs 90,800 per 10 grams in Mumbai's spot bullion market, tracking international gold prices that hit record highs and crossed \$3,000 per ounce on Friday, domestic demand has taken a hit, say industry players. The jewellery industry is now debating whether demand will return at these high prices as the marriage season has already begun, even as they are simultaneously preparing for changes in demand composition and considering tweaking products.

https://www.business-standard.com/industry/news/domestic-jewellery-demand-hit-as-gold-scales-rs-90-000-per-10-grams-125031600459_1.html

High demand for adventure, once-in-a-lifetime trips

If sixty is the new forty, the travel industry is making the most of it, offering curated packages for the sexagenarians, septuagenarians and even octogenarians. From cruises to skiing, Europe to Japan, there is something for everyone, even a trip to Antarctica. Booking.com's Travel Predictions 2025 suggest baby boomers (those born between 1946 and 1964) are redefining adventure travel, with 30% interested in high-octane activities (up from 11% in 2024) like sand surfing (42%), skydiving (34%), cave diving (36%), visiting Antarctica (22%) or even volcano boarding (22%). One of four boomers seek to push their comfort zones and reconnect with their adventurous spirit.

<https://www.financialexpress.com/business/industry/high-demand-for-adventure-once-in-a-lifetime-trips/3778247/>

AI may enable collusion; regulators need a forward-looking approach: CCI

Artificial intelligence is a driving force in modern markets that also has the potential to enable collusion, including algorithmic discrimination under the garb of dynamic pricing, CCI chief Ravneet Kaur said on Sunday. She also emphasised the need to adopt a forward-looking approach as well as trust-based regulations.

https://www.business-standard.com/companies/news/ai-may-enable-collusion-regulators-need-a-forward-looking-approach-cci-125031600314_1.html

Agriculture

Govt to soon improve quality of ration rice by lowering broken grain share

The Centre has rolled out a pilot project aimed at reducing broken grain share in the rice stock managed by the Food Corporation of India (FCI) to 10 per cent from current up to 25 per cent, which will improve the quality of rice distributed through ration shops. The plan, if successful, will also reduce leakage in the public distribution system, increase the availability of rice for ethanol production and reduce storage costs.

<https://www.thehindubusinessline.com/economy/agri-business/govt-to-soon-improve-quality-of-ration-rice-by-lowering-broken-grain-share/article69336535.ece>

Govt to procure 4.5 MT pulses at MSP

With mandi prices ruling below the minimum support price (MSP) due to robust crop prospects, the agriculture ministry has sanctioned the purchase of a record 4.5 million tonne (MT) of pulses from farmers under the price support scheme (PSS) for the 2024-25 marketing season. Officials stated that tur, chana, urad, masur, and moong will be procured under the PSS across key growing states, including Karnataka, Maharashtra, Madhya Pradesh, Uttar Pradesh, Chhattisgarh and Tamil Nadu, in both the kharif and rabi seasons.

<https://www.financialexpress.com/policy/economy/govt-to-procure-4-5-mt-pulses-at-msp/3778808/>

Sugar output falls 16%; cooperative body flags production ambiguity

India's sugar production has declined by 16.13 per cent to 23.71 million tonnes so far in the ongoing 2024-25 season, creating challenges for government policies which were formulated based on higher initial projections, cooperative body NFCSF said on Sunday. The National Federation of Cooperative Sugar Factories (NFCSF) expressed concern over the "ambiguity" in sugar production numbers as the 2024-25 sugarcane crushing season (October-September) nears its end with significantly lower output than initially projected.

https://www.business-standard.com/industry/agriculture/sugar-output-falls-16-cooperative-body-flags-production-ambiguity-125031600391_1.html

Infrastructure

Airport Hub Strategy: Regional hubs being mulled to boost traffic growth

India is contemplating the development of regional airport hubs to seamlessly connect passengers from far-flung locations to major transit centres such as Delhi, Mumbai, and Bengaluru. According to sources, the plan being contemplated under the ambitious 'Hub Strategy' aims to ensure seamless movement of domestic travellers onto long-haul international flights.

<https://www.thehindubusinessline.com/economy/logistics/airport-hub-strategy-regional-hubs-being-mulled-to-boost-traffic-growth/article69336395.ece>

Terms for highway TOT contracts to be tweaked

The government is planning to undertake another review of the model contract for Toll Operate Transfer (TOT) mode of monetisation of highways, to make it more viable and boost investor interest. The revised draft of the concession agreement could be ready in April. The new norms, to be announced after the review, are expected to address concerns of the government too. Currently, s Infrastructure Investment Trust (InVIT) is seen to deliver better returns, compared to ToT model for the government. There have been reports that the government is more in favour of InVIT rather than ToT.

<https://www.financialexpress.com/business/infrastructure/terms-for-highway-tot-contracts-to-be-tweaked/3778736/>

Housing demand strong, prices to grow this year at more than inflation rate: CREDAI Prez Boman Irani

Housing demand in India is expected to grow further due to Budget tax incentives and a recent repo rate cut, says CREDAI President Boman Irani. Despite potential short-term fluctuations in certain markets, the overall demand remains strong. The government's focus on infrastructure is also creating new opportunities in the real estate sector.

<https://economictimes.indiatimes.com/industry/services/property/-cstruction/housing-demand-strong-prices-to-grow-this-year-at-more-than-inflation-rate-credai-prez-boman-irani/articleshow/119072779.cms>

Back-to-office uptrend spells boom for office solutions providers

Corporate India asking employees to be physically present in the office for most of the working week is driving up sales and the outlook for office solution providers that are continuing to see growth in demand. Whether it is players like Godrej Interio and Space Matrix that build or furnish office spaces or Awfis and Table Space that manage co-working rental spaces across the country, back-to-office is boosting sales for these suppliers as they expect the trend to continue.

https://www.business-standard.com/industry/news/back-to-office-uptrend-spells-boom-for-office-solutions-providers-125031600406_1.html

Energy

142 GW of RE projects coming up across India; Gujarat tops table

Gujarat, with 46,441 MW of renewable energy (solar, wind and solar-wind hybrid) capacities under construction, is the highest contributor to the 1,42,667 MW of RE capacity being built, according to data from the Central Electricity Authority. India today has 1,67,709 MW of installed RE capacity (including about 12,000 MW non-wind and non-solar sources such as biomass and small hydro).

<https://www.thehindubusinessline.com/specials/clean-tech/142-gw-of-re-projects-coming-up-across-india-gujarat-tops-table/article69336715.ece>

Power demand rises 3% on-year in Feb

Power demand in February rose by 3.1% on-year owing to rising temperatures and consumption, as per data from Crisil. Moreover, between April 2024 and February 2025, power demand is estimated to have increased 4.2% on-year. "With nearly half of India's power demand coming from industrial and commercial consumers, expansion of relevant activities is crucial for power demand to continue growing," the agency said.

<https://www.financialexpress.com/policy/economy/power-demand-rises-3-on-year-in-feb/3778775/>

India boosts critical mineral exploration in LWE-affected regions with 25% incentive increase; two projects underway

India's Mines Ministry has decided to prep up monetary incentives by at least 25 per cent to promote critical mineral exploration activities in 12 of the "most" Left Wing Extremism (LWE) affected districts of the country. And two such projects are already underway in recent months, sources said.

<https://www.thehindubusinessline.com/economy/policy/india-boosts-critical-mineral-exploration-in-lwe-affected-regions-with-25-incentive-increase-two-projects-underway/article69336297.ece>

Oil imports fell 11% in December as supplies from Russia, Saudi fall

Lower supplies from Russia and traditional West Asian suppliers such as Saudi Arabia and Kuwait dragged down India's crude oil imports by 10.6 per cent in December 2024 to \$10.34 billion from \$11.57 billion in December 2023, according to official data.

https://www.business-standard.com/industry/news/crude-oil-imports-fell-10-6-in-dec-as-supplies-from-russia-saudi-shrank-125031600444_1.html

States

UP CM reviews \$1 trn economy target, calls for accountability, reforms

Uttar Pradesh Chief Minister Yogi Adityanath on Sunday reviewed the state's progress toward achieving the One Trillion Dollar Economy (OTDE) target and directed all departments to fulfill their responsibilities. He instructed departments to simplify processes and enhance efficiency, stressing that empaneled hospitals under Ayushman Bharat and Mukhyamantri Jan Arogya Yojana must receive payments within a month.

https://www.business-standard.com/india-news/up-cm-reviews-1-trn-economy-target-calls-for-accountability-reforms-125031700004_1.html

First mobile tower erected at remote CRPF base in Chhattisgarh's Sukma

Sukma district in Chhattisgarh now has its first mobile phone tower, providing connectivity to several villages affected by Maoist violence. Installed in a CRPF camp at Tekulagudem, the tower will benefit security personnel and

locals by improving communication. This development is part of efforts to combat Left Wing Extremism and promote regional progress.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/first-mobile-tower-erected-at-remote-crpf-base-in-chhattisgarhs-sukma/articleshow/119071147.cms>

Healthcare

Big pharma mergers unlikely in near future

GV Prasad, co-chairman and managing director, Dr Reddy's Laboratories says large mergers and acquisitions in the Indian pharmaceutical market are unlikely in the near future due to various uncertainties.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/big-pharma-mergers-unlikely-in-near-future-dr-reddys-md-gv-prasad/articleshow/119083888.cms>

External

Proposed India-US trade pact must not go beyond tariffs, say experts

Negotiations for the proposed India-US bilateral trade agreement (BTA) need to be mostly restricted to tariffs as any widening of coverage could open a “Pandora’s box” of issues including intellectual property rights, e-commerce & data protection and government procurement that New Delhi has mostly avoided in its trade pacts to preserve its policy space, trade experts have said.

<https://www.thehindubusinessline.com/economy/proposed-india-us-trade-pact-must-not-go-beyond-tariffs-say-experts/article69336533.ece>

India and New Zealand to resume FTA negotiations after a decade’s lull

India and New Zealand have decided to resume negotiations for a comprehensive free trade agreement (FTA) almost a decade after talks were suspended due to disagreement over keeping dairy out of the pact, something New Delhi insisted upon.

<https://www.thehindubusinessline.com/economy/india-and-new-zealand-to-resume-free-trade-agreement-talks/article69336587.ece>

India should seek reciprocity from EU on medical devices under FTA: GTRI

India should seek reciprocal concessions from the European Union (EU) under the proposed free trade agreement (FTA) in the medical devices sector to promote its exports, economic think tank GTRI said on Sunday. India charges zero to 10 per cent tariffs on most medical devices and a duty cut by India on medical devices without addressing EU's regulatory challenges will result in low exports but large scale imports from EU.

https://www.business-standard.com/economy/news/india-should-seek-reciprocity-from-eu-on-medical-devices-under-fta-gtri-125031600318_1.html

India's merchandise trade deficit will be under pressure in fiscal 2026, services sector to provide respite: Crisil

India's merchandise trade deficit is set to face pressure in fiscal year 2026 due to strong domestic private consumption inflating imports, and potential export declines amid a slowing global and US economy. The resilient service trade surplus will offer some cushion, but heightened risks from US tariffs persist.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-merchandise-trade-deficit-will-be-under-pressure-in-fiscal-2026-services-sector-to-provide-respite-crisil/articleshow/119068057.cms>

Smartphone exports beat estimates, cross \$21 billion in FY25 so far

Mobile phone exports from India crossed a whopping ₹1.75 trillion (\$21 billion) in the first 11 months of 2024-25 (FY25) — higher than the projection of Minister for Electronics and Information Technology Ashwini Vaishnaw, who had estimated exports would touch \$20 billion, with one month still to go.

https://www.business-standard.com/industry/news/india-s-smartphone-exports-dial-up-record-gains-125031600531_1.html

China unveils plan to boost domestic consumption

China on Sunday (Mar 16) unveiled an action plan it hopes will help Beijing to overcome stubbornly low consumer demand and meet its ambitious growth target, state news agency Xinhua reported. The plan, issued by the State Council, promises “special initiatives” to stimulate the world’s second-largest economy, which has struggled to sustain a strong recovery since the Covid-19 pandemic. Beijing faces further headwinds with the return of US President Donald Trump, who has slapped punitive tariffs on a range of Chinese products as part of an ongoing trade war.

<https://www.businesstimes.com.sg/international/china-unveils-plan-boost-domestic-consumption>