



April 03, 2025 – Thursday

### Key Development

#### Trump imposes 26% reciprocal tariff on Indian exports

US President Donald Trump has announced “discounted” reciprocal tariffs of 26 per cent on India which could affect exports from several sectors, such as textiles, chemicals, gems & jewellery, machinery, electronics, auto parts, and electricals. However, reciprocal tariffs announced on some of India’s competitors, such as China, Vietnam, Bangladesh, Indonesia, and Cambodia, are higher, which could give an edge to Indian exporters against suppliers from these countries.

<https://www.thehindubusinessline.com/economy/trump-imposes-26-reciprocal-tariff-on-indian-exports/article69405918.ece>

### Economy

#### India's March factory activity expands at its fastest pace in 8 months

India’s manufacturing activity grew at its fastest pace in eight months in March, recovering from a more than a one-year low as “buoyant demand” helped sales by companies, said a private survey on Tuesday. The HSBC India Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, improved to 58.1 in March from 56.3 in February when the gauge was at a 14-month low.

[https://www.business-standard.com/economy/news/faster-upturn-in-sales-drives-manufacturing-pmi-to-8-month-high-in-march-125040200390\\_1.html](https://www.business-standard.com/economy/news/faster-upturn-in-sales-drives-manufacturing-pmi-to-8-month-high-in-march-125040200390_1.html)

#### 3000 startups to participate in Startup Mahakumbh 2025: DPIIT joint secy

Ahead of the highly anticipated second edition of 'Startup Mahakumbh' set to take place at Bharat Mandapam from April 3, Department for Promotion of Industry and Internal Trade (DPIIT) Joint Secretary Sanjiv Singh said that nearly 3000 startups will be participating this time in the event. Sanjiv Singh said, "This year's Startup Mahakumbh is bigger and better than last year. Pavillions have been set up in area double than last year's. Nearly 3000 startups will be participating this time, as compared to 1500 last year. Masterclasses will be organised this year. Delegates from 64 countries are coming to take part in it."

[https://www.business-standard.com/india-news/3000-startups-to-participate-in-startup-mahakumbh-2025-dpiit-joint-secy-125040300159\\_1.html](https://www.business-standard.com/india-news/3000-startups-to-participate-in-startup-mahakumbh-2025-dpiit-joint-secy-125040300159_1.html)

#### Public procurement: 42% of all goods purchased by govt in FY25 from micro, small enterprises

Purchase of goods and/or services by government departments and ministries from micro and small enterprises (MSEs) in the financial year 2023-24 saw a marginal jump. According to the official data, central public sector enterprises (CPSEs) made procurement worth Rs 77,525 crore in FY25, an increase of 3.7 per cent from Rs 74,728 crore in FY24.

<https://www.financialexpress.com/business/sme-public-procurement-42-of-all-goods-purchased-by-govt-in-fy25-from-micro-small-enterprises-3796639/>

## Finance

### Deposit growth lags credit in March quarter

Deposit growth of banks continued to trail credit growth in the March quarter, according to the provisional numbers submitted to exchanges. South Indian Bank, Central Bank of India, Punjab & Sind Bank on Tuesday reported year-on-year deposit growth ranging between 5.5-8.7%, while their credit grew at a faster clip of around 10-16%. All three banks also reported a fall in the share of CASA ratio (current account, savings account) in the total liabilities. This is in line with industry where the low-cost CASA deposits have grown slower compared to fixed deposits. But Punjab National Bank's domestic deposit and credit grew at around 13% on year.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/deposit-growth-lags-credit-in-march-quarter/articleshow/119917780.cms>

### Mudra disbursements are benefiting financially weaker states more: SBI Report

Pradhan Mantri Mudra Yojana (PMMY) disbursements are benefiting financially weaker regions more, improving financial inclusion in underdeveloped states, according to a report by SBI Research. The report, which analyzes the impact of PMMY, states that states with a higher share of disbursements to women have significantly shown higher employment creation by women-led MSMEs, further reinforcing the efficacy of targeted financial inclusion policies in fostering economic empowerment and labour market participation.

<https://www.financialexpress.com/business/sme-mudra-disbursements-are-benefiting-financially-weaker-states-more-sbi-report-3796190/>

### Sebi's REIT, InvIT reforms to boost liquidity, strengthen investor trust

SEBI's decision to simplify follow-on issue frameworks for REITs and InvITs aims to enhance liquidity, boost investor confidence, and align with global standards. The move simplifies fundraising processes, enforces sponsor lock-in provisions, and ensures market efficiency. This step significantly benefits India's real estate and infrastructure sectors by facilitating easier access to capital and maintaining long-term stakeholder commitment.

<https://economictimes.indiatimes.com/industry/services/property/-/cstruction/sebis-reit-inv-it-reforms-to-boost-liquidity-strengthen-investor-trust/articleshow/119915803.cms>

### Reinsurance treaty rates stay soft amid tight competition

Reinsurance treaty renewals on April 1 saw largely stable or softer rates due to competition among reinsurers. Despite continuing catastrophe risks, regulatory scrutiny, and new Irdai regulations, primary insurers secured significant discounts and enhanced treaty capacities, while cross-border reinsurers face operational challenges.

<https://economictimes.indiatimes.com/news/economy/policy/reinsurance-treaty-rates-stay-soft-amid-tight-competition/articleshow/119917841.cms>

### NPCI expands AI use to enhance customer safety in digital transactions

The National Payments Corporation of India (NPCI) is leveraging Artificial Intelligence in a "big way" to enhance customer security in digital transactions, amid a surge in UPI usage. NPCI is conducting a pilot study in collaboration with public and private sector banks to integrate Artificial Intelligence (AI) and Machine Learning for strengthening customer safety, NPCI Chief Risk Officer Viswanath Krishnamurthy said here.

[https://www.business-standard.com/finance/news/npci-expands-ai-use-to-enhance-customer-safety-in-digital-transactions-125040200904\\_1.html](https://www.business-standard.com/finance/news/npci-expands-ai-use-to-enhance-customer-safety-in-digital-transactions-125040200904_1.html)

### Tax harvesting drives biggest domestic equities selloff by retail investor

Individual investors withdrew more than ₹15,000 crore from domestic equities in March — their biggest monthly outflow since 2016, when data first became available. March, the final month of the financial year, is typically a weak period for retail inflows. However, a market decline to nine-month lows at the start of the month pushed more individuals towards "tax-loss harvesting".

[https://www.business-standard.com/markets/news/tax-harvesting-drives-biggest-domestic-equities-selloff-by-retail-investor-125040201005\\_1.html](https://www.business-standard.com/markets/news/tax-harvesting-drives-biggest-domestic-equities-selloff-by-retail-investor-125040201005_1.html)

### India's venture debt market grows 58 pc CAGR to \$1.23 bn in 2024

India's venture debt market has grown significantly from USD 80 million in 2018 to USD 1.23 billion in 2024, led by Bengaluru. The market supports startup founders with runway extension, working capital, pre-IPO financing, and inventory needs. Fintech, consumer tech, and cleantech sectors see the highest demand, with venture debt helping bridge funding gaps and retain control.

<https://economictimes.indiatimes.com/news/economy/finance/indias-venture-debt-market-grows-58-pc-cagr-to-1-23-bn-in-2024/articleshow/119915260.cms>

## Industry

### India better placed on electronics than China, Vietnam after Trump move: Industry

India emerges better positioned with lower reciprocal tariffs compared to China and Vietnam following US tariff announcements. Despite some countries like Brazil and Egypt having marginally better rates, India sees this as a short-term competitive edge, with the real potential hinging on a successful bilateral trade agreement with the US.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/india-better-placed-on-electronics-than-china-vietnam-after-trump-move-industry/articleshow/119926665.cms>

### Trump's tariff gives Indian textile exporters an edge over competitors

President Donald Trump's decision to impose tariffs on all imports to the United States (US) gives India's textile industry an advantage as its competitors like Vietnam, Bangladesh and China will face higher tariffs, experts say. It may be further beneficial if trade negotiations lead to a zero duty on cotton imports. One major factor for Indian textile exports will be buyer sentiments in the US. "In the past, India, Bangladesh, and Vietnam faced similar tariff structures for cotton apparel exports. However, with the recent changes, India now holds a tariff advantage over these competing nations in comparative terms, potentially boosting its competitiveness in the US market for apparel exports," said Prabhu Dhamodharan, convenor of Coimbatore-based Indian Textpreneurs Federation, an industry association.

[https://www.business-standard.com/industry/news/trump-s-tariff-gives-indian-textile-exporters-an-edge-over-competitors-125040300158\\_1.html](https://www.business-standard.com/industry/news/trump-s-tariff-gives-indian-textile-exporters-an-edge-over-competitors-125040300158_1.html)

### Centre has started implementing PLI scheme for textiles on pan India basis: MoS

The government has started implementing Production Linked Incentive (PLI) Scheme for Textiles on Pan India basis, Pabitra Margherita the Minister of State (MoS) for Textile said in a written reply to a question in Rajya Sabha. The MoS, quoted by Ministry of Textiles in a statement, added PLI scheme is aimed at promoting the production of MMF Apparel, MMF fabrics and products of Technical Textiles to achieve size and scale and to become competitive.

<https://www.financialexpress.com/business/sme-centre-has-started-implementing-pli-scheme-for-textiles-on-pan-india-basis-mos-3796218/>

### Consumption to rise on I-T relief, easing inflation & better job market

India's consumption demand is expected to rise in FY26 due to income tax relief, easing inflation, and better job prospects. Economists caution that the global economic conditions and sluggish wage growth, especially in urban areas, remain concerns despite anticipations of a normal monsoon.

<https://economictimes.indiatimes.com/news/economy/indicators/consumption-to-rise-on-i-t-relief-easing-inflation-better-job-market/articleshow/119916811.cms>

### India leads in Agentic AI adoption, 80% firms onboard: Deloitte report

India is emerging as a global leader in Agentic AI adoption, with over 80 per cent of businesses actively exploring the development of autonomous agents, a Deloitte report says. Autonomous agents are AI systems that can act independently to achieve specific goals without constant human guidance. Agentic AI refers to the broader concept of using these agents to automate tasks and processes.

[https://www.business-standard.com/industry/news/india-leads-in-agentic-ai-adoption-80-firms-onboard-deloitte-report-125040200507\\_1.html](https://www.business-standard.com/industry/news/india-leads-in-agentic-ai-adoption-80-firms-onboard-deloitte-report-125040200507_1.html)

### Govt backs EV tariff cuts for Trump trade deal, defying autos lobby: Report

The automakers are lobbying Prime Minister Narendra Modi's government to delay any cut in EV tariffs until 2029, and then phase in a reduction to 30 per cent from as high as roughly 100 per cent, two industry sources and one government official said. However, New Delhi is serious about lowering EV tariffs - which have riled US President Donald Trump and his ally Tesla CEO Elon Musk - and the sector is set to be part of the first tranche of tariff reductions in a planned bilateral trade deal, this government official - and another - said.

[https://www.business-standard.com/industry/auto/govt-backs-ev-tariff-cuts-for-trump-trade-deal-defying-autos-lobby-report-125040200894\\_1.html](https://www.business-standard.com/industry/auto/govt-backs-ev-tariff-cuts-for-trump-trade-deal-defying-autos-lobby-report-125040200894_1.html)

#### **FMCG demand remained unchanged in Q4 as urban weakness persists: Nomura**

Demand for fast-moving consumer goods (FMCG) remained unchanged in the January-March quarter of 2024-25 (FY25), according to a report by brokerage firm Nomura. FMCG sales are expected to grow 5.2 per cent on account of price increases and volume growth is expected to remain stable, according to the report.

[https://www.business-standard.com/industry/news/fmcg-demand-remained-unchanged-in-q4-as-urban-weakness-persists-nomura-125040201083\\_1.html](https://www.business-standard.com/industry/news/fmcg-demand-remained-unchanged-in-q4-as-urban-weakness-persists-nomura-125040201083_1.html)

#### **Mobility players shift gears, launch dedicated solutions for young passengers**

As urban mobility evolves, companies recognise the need for dedicated transportation solutions for young passengers. With busy schedules and safety concerns, parents are seeking reliable services that cater specifically to them. This has led to the emergence of mobility solutions designed by players like MetroRide and Uber to provide children and teenagers with safe, supervised, and technology-driven transportation options.

<https://www.thehindubusinessline.com/companies/mobility-players-shift-gears-launch-dedicated-solutions-for-young-passengers/article69404749.ece>

#### **AC makers expect clicks to be quick in harsh summer**

Air conditioner and air cooler brands such as Daikin, Godrej, LG, and Lloyd are optimistic that the forecasted intense summer will boost sales in India's quick commerce market. Companies are collaborating with quick commerce platforms to retail their products, expecting higher sales of plug-and-play items like ACs and coolers this season.

<https://economictimes.indiatimes.com/industry/cons-products/durables/ac-makers-expect-clicks-to-be-quick-in-harsh-summer/articleshow/119916206.cms>

#### **India tightens steel procurement policy: Favours local production, adds reciprocity clause**

This new guideline mandates that all government-related agencies must use locally manufactured steel, with an emphasis on domestic value addition. The policy prioritises domestically produced steel in government contracts and implements stricter procurement rules to limit foreign competition.

<https://www.thehindubusinessline.com/economy/india-tightens-steel-procurement-policy-favours-local-production-adds-reciprocity-clause/article69402618.ece>

### **Agriculture**

#### **India's farm exports may withstand US tariffs as competitors face steeper duties, says economist**

Despite the newly imposed 26% tariff by the U.S. on Indian goods, agricultural economist Ashok Gulati believes India may maintain or even expand its agricultural exports to the U.S. compared to regional competitors facing higher tariffs. With countries like China (34%), Vietnam (46%), and Thailand (36%) facing steeper duties, India holds a relative tariff advantage, especially in seafood and rice exports.

<https://economictimes.indiatimes.com/news/economy/agriculture/indias-farm-exports-may-withstand-us-tariffs-as-competitors-face-steeper-duties-says-economist/articleshow/119926346.cms>

#### **Govt's wheat purchase crosses 1 MT**

The government's wheat purchase from farmers at minimum support price (MSP) in the 2025-26 marketing season (April-June) has commenced on a brisk note. The agencies have procured over 1 million tonne (MT) till Wednesday against just 0.35 MT of grain purchased during the same period last year. This is because of early purchase and robust arrivals of wheat in Madhya Pradesh, Rajasthan, Uttar Pradesh and Gujarat, just two weeks back.

<https://www.financialexpress.com/policy/economy-govts-wheat-purchase-crosses-1-mt-3796944/>

## Infrastructure

### **National Highways toll collection: UP tops list with Rs 7,060 cr revenue**

Uttar Pradesh topped the list of states that reported high revenue collection through toll on National Highways in the April-February period of financial year 2024-25, Parliament was informed on Wednesday. Gadkari further noted that the government has also decided to implement barrier free Electronic Toll Collection (ETC) System with available technology and use of existing fee plaza infrastructure at selected sections of National Highways.

[https://www.business-standard.com/india-news/national-highways-toll-collection-up-tops-list-with-rs-7-060-cr-revenue-125040200833\\_1.html](https://www.business-standard.com/india-news/national-highways-toll-collection-up-tops-list-with-rs-7-060-cr-revenue-125040200833_1.html)

### **NHAI surpasses FY25 construction target by 9%**

The National Highways Authority of India constructed 5614 km of highways in the just concluded financial year 2024-25, which was 9% more than the target but fell short of its monetisation target by a big margin. The highway construction was however lower than 6,644 km built in 2023-24, due to the long drawn election process which held back clearances due to the model code of conduct. Overall road construction target for FT 25 was 10,421 km. In the next financial year the government is targeting 10,000 km of road building.

<https://www.financialexpress.com/business/infrastructure-nhai-surpasses-fy25-construction-target-by-9-3796727/>

## Energy

### **Coal India eyeing lithium blocks in Australia, Argentina: Chairman Prasad**

State-owned CIL is looking at lithium blocks in Australia and Argentina, company's Chairman P M Prasad said on Wednesday. Speaking on the sidelines of the 11th Asian Mining Congress and the 11th International Mining Exhibition, Prasad said Coal India Ltd (CIL) is targetting a production of 875 million tonnes (MT) and offtake of 900 MT in the 2025-26 fiscal year. The company accounts for over 80 per cent of domestic coal production.

[https://www.business-standard.com/companies/news/coal-india-eyeing-lithium-blocks-in-australia-argentina-chairman-prasad-125040200700\\_1.html](https://www.business-standard.com/companies/news/coal-india-eyeing-lithium-blocks-in-australia-argentina-chairman-prasad-125040200700_1.html)

### **NTPC seeks interest from global companies for nuclear power plant tech**

In its ongoing efforts to expand nuclear energy capacity, NTPC has sought interest from global companies to indigenise the Pressurised Water Reactor (PWR) technology. "India is committed to expanding its nuclear energy capacity to achieve the Government of India's ambitious target of 100 gigawatt of nuclear power generation by 2047. This initiative is an essential step toward ensuring energy security, reducing dependency on fossil fuels, and addressing the rising energy demand in a sustainable manner." NTPC said in its EoI document.

[https://www.business-standard.com/companies/news/ntpc-seeks-interest-from-global-companies-for-nuclear-power-plant-tech-125040200903\\_1.html](https://www.business-standard.com/companies/news/ntpc-seeks-interest-from-global-companies-for-nuclear-power-plant-tech-125040200903_1.html)

### **BARC developing SMRs for repurposing retiring thermal power plants**

The Bhabha Atomic Research Centre (BARC) is developing small modular reactors (SMRs) for repurposing of retiring thermal power plants (TPPs) and captive power plants (CPPs), Parliament was informed on Wednesday. "Bharat Small Modular Reactors (BSMR-200) for repurposing of retiring thermal power plants & captive power plants for energy intensive industry such as aluminium, steel, metal," Minister of State for the Prime Minister's Office (PMO) Jitendra Singh said in a written response to a query in Lok Sabha.

<https://www.thehindubusinessline.com/economy/barc-developing-smrs-for-repurposing-retiring-thermal-power-plants/article69403682.ece>

## Telecom

### **GSMA urges DoT to include 6GHz in next spectrum sale**

The GSMA has urged India's DoT to include the 6GHz band in the next spectrum auction, crucial for expanding 5G services and enhancing competitiveness. This request follows the Union cabinet's decision to reform additional spectrum bands, including 470MHz to 6GHz, for telecom operators' 5G and 6G needs.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/gsma-urges-dot-to-include-6ghz-in-next-spectrum-sale/articleshow/119916181.cms>

## States

### Chhattisgarh to set up first supercritical power plant in Korba district

Chhattisgarh State Power Generation Company Limited (CSPGCL), an entity of the state government, will set up the first super critical thermal power project (SCTPP) in Korba district. The project will be part of an expansion plan of the Hasdeo Thermal Power Station (HTPS) located in Korba. The station already has a 1,340 megawatt (Mw) plant and the new one with a capacity of 1,320 Mw will come in the same premises.

[https://www.business-standard.com/industry/news/chattisgarh-to-set-up-its-first-supercritical-power-plant-in-korba-district-125040200836\\_1.html](https://www.business-standard.com/industry/news/chattisgarh-to-set-up-its-first-supercritical-power-plant-in-korba-district-125040200836_1.html)

## Healthcare

### Indian pharma industry welcomes US move to exempt drugs from tariff

The Indian Pharmaceutical Alliance (IPA), which represents the country's large research-driven drug firms accounting for around 80 per cent of India's pharmaceutical exports, has welcomed the US administration's decision to exempt pharmaceuticals from the newly announced tariffs. "The decision underscores the critical role of cost-effective, life-saving generic medicines in public health, economic stability and national security," said Sudarshan Jain, secretary general, IPA.

[https://www.business-standard.com/industry/news/indian-pharma-industry-welcomes-us-move-to-exempt-drugs-from-tariff-125040300190\\_1.html](https://www.business-standard.com/industry/news/indian-pharma-industry-welcomes-us-move-to-exempt-drugs-from-tariff-125040300190_1.html)

## External

### What Trump tariffs mean for world markets

Donald Trump announced tariffs on exporters to the US, including 20% on the European Union and 24% on Japan. This caused stocks to drop, with traders worried about economic impacts. Analysts believe the tariffs will slow trade and increase prices, potentially creating a buying opportunity if negotiations lead to reduced rates.

<https://economictimes.indiatimes.com/markets/stocks/news/what-trump-tariffs-mean-for-world-markets/articleshow/119927242.cms>

### EU-India free trade talks important for both sides, says European official

Anthony Agotha, Ambassador at Large-Special Envoy for Climate and Environment, European External Action Service, highlighted the EU-India free trade agreement negotiations. With backing from leaders like European Commission President Ursula von der Leyen and Prime Minister Narendra Modi, Agotha emphasised the importance of this agreement for both parties. While speaking with ANI, Agotha said, "Well, what I understand is from President von der Leyen from the European Commission and Prime Minister Modi that both have given the political signal that there should be a renewed impetus to get this free trade agreement across the finish line, and I think that's a very important political push now the negotiators have to follow up in that spirit "

[https://www.business-standard.com/economy/news/eu-india-free-trade-talks-important-for-both-sides-says-european-official-125040300036\\_1.html](https://www.business-standard.com/economy/news/eu-india-free-trade-talks-important-for-both-sides-says-european-official-125040300036_1.html)

### India, Nepal ink 10 MoUs worth NRs 625 million for development projects

India and Nepal have signed 10 Memorandums of Understanding (MoUs) for high-impact community development projects in the Himalayan nation to be funded by Indian assistance amounting to NRs 625 million, according to an official release. The agreements were signed on Tuesday for development in the education, health, and culture sectors, the Indian embassy here said in a press release.

[https://www.business-standard.com/external-affairs-defence-security/news/india-nepal-ink-10-mous-worth-nrs-625-million-for-development-projects-125040200597\\_1.html](https://www.business-standard.com/external-affairs-defence-security/news/india-nepal-ink-10-mous-worth-nrs-625-million-for-development-projects-125040200597_1.html)

#### **Peace clause invoked 6th time to offer rice subsidies**

India has invoked the peace clause at the WTO for the sixth time after exceeding the 10% subsidy ceiling for its rice farmers, reaching around 12% with \$6.81 billion in subsidies. The country explained that the support is aimed at ensuring food security for its poor and vulnerable population.

<https://economictimes.indiatimes.com/news/economy/agriculture/peace-clause-invoked-6th-time-to-offer-rice-subsidies/articleshow/119916324.cms>