

August 04, 2025 – Monday

Economy

DBT saved Rs 4.31 lakh crore to exchequer by plugging leakages

The transfer of assorted subsidies and sops to beneficiaries through the direct benefit transfer (DBT) helped plug leakages worth Rs 82,573 crore in FY24, bringing the Centre's cumulative savings since FY15 to approximately Rs 4.31 lakh crore, according to the latest government data. The DBT-induced savings provided government finance managers with significant headroom to improve the quality of spending and offer additional welfare benefits to eligible beneficiaries, without overly constraining the exchequer.
https://www.financialexpress.com/policy/economy-dbt-saved-rs-4-31-lakh-crore-to-exchequer-by-plugging-leakages-3935304/

Integrating services into production can create more jobs, says CSEP

India's manufacturing sector could generate more jobs by embracing the rising trend of servicification and integrating services into firms' production, sale, and export processes, according to a new working paper by the Centre for Social and Economic Progress (CSEP). Servicification has a positive correlation with employment across a range of sectors, especially textiles, electronics, rubber, plastics and machinery, the paper, 'Servicification of Manufacturing: India's Potential and Policy Priorities', stated.
https://www.business-standard.com/economy/news/integrating-services-into-production-can-create-more-jobs-says-csep-125080300768_1.html

Finance

India's banks face decline in CASA ratios impacting net interest margins

Indian banks are facing challenges. CASA ratios of top lenders have decreased. This decline affects their net interest margins. HDFC Bank and IndusInd Bank experienced significant drops. Kotak Mahindra Bank saw the sharpest fall. Banks are now relying on costlier funding sources. Some banks are cutting savings account interest rates. This shift impacts core profitability for Indian banks.
https://economictimes.indiatimes.com/industry/banking/finance/banking/indias-banks-face-decline-in-casa-ratios-impacting-net-interest-margins/articleshow/123080992.cms

Kisan Credit Card accounts in PSBs down 1.8% to 22.5 million in FY25

The number of Kisan Credit Card (KCC) accounts in public sector banks fell by 1.8 per cent year-on-year to 22.5 million in FY25, even as the outstanding loan amount grew by a marginal 2.2 per cent growth to ₹41,300 crore during the period, a senior government official said on the condition of anonymity. The decline in active KCC accounts reflects multiple structural shifts in rural lending, the official said. "Farmers' incomes have improved over the years, with many moving out of farming, while in some states they increasingly prefer co-operative banks, NBFCs or input-linked credit like fertilier cards, reducing drawdowns from PSBs."
https://www.business-standard.com/finance/news/kcc-accounts-in-psbs-decline-1-8-outstanding-amount-rises-marginally-125080300169_1.html

Renewal of life insurers' policies, after 1 year, declines in June quarter

The 13th-month persistency rate of life insurers — an important metric indicating the retention of new policies — declined in the first quarter of 2025-26 (Q1FY26). This fall was primarily driven by a lower share of high-value policies, following taxation changes implemented in April 2023. In February 2023, the government decided to tax income from traditional insurance policies, other than unit-linked products (ULIPs), having premiums above ₹5 lakh in a year to plug the arbitrage.

https://www.business-standard.com/finance/insurance/13th-month-persistency-rate-of-life-insurance-companies-sees-a-fall-in-q1-125080300414_1.html

Industry

Textile ministry likely to meet industry players next week over US tariffs

Union Textiles Minister Giriraj Singh will meet industry stakeholders next week to deliberate upon the potential impact of US President Donald Trump's announcement to impose a 25 per cent tariff on India and seek their views on the issue, according to sources. The US is India's largest market for textile and apparel exports, accounting for about 25 per cent of the country's total outbound shipment from the sector.

https://www.business-standard.com/industry/news/textile-ministry-likely-to-meet-industry-players-next-week-over-us-tariffs-125080300216_1.html

MCA to conduct a study on ex-ante regulations for digital markets

The Ministry of Corporate Affairs (MCA) will soon conduct a market study into the impact of ex-ante regulations for preventing anti-competitive conduct in the digital markets, according to official sources. The MCA would be inviting requests for proposal (RFP) and issue terms of reference for the study to be undertaken by an external agency, sources said. “We do not want to over regulate the digital markets. After speaking to stakeholders, it was felt that there is a need to study the market impact of these regulations,” the source said.

https://www.business-standard.com/industry/news/mca-to-study-impact-of-digital-competition-bill-before-final-rollout-125080300429_1.html

Eight cooperatives to launch Bharat taxi service, onboard 200 drivers

India's cooperative sector is set to challenge ride-hailing giants Ola and Uber with the launch of a taxi service under the brand Bharat by the end of this year, backed by Rs 300 crore authorised capital and having already onboarded 200 drivers across four states. The Multi-State Sahakari Taxi Cooperative Ltd, registered on June 6, represents a consortium of eight prominent cooperatives, including the National Cooperative Development Corporation (NCDC), Indian Farmers Fertilizer Cooperative Ltd (IFFCO), and Gujarat Cooperative Milk Marketing Federation (GCMMF).

https://www.business-standard.com/industry/news/eight-cooperatives-to-launch-bharat-taxi-service-onboard-200-drivers-125080300431_1.html

IT hiring nearly flat for 6-7 quarters; no Q2 recovery seen: Quess Corp

Hiring in the IT services sector has remained stagnant over the past six to seven quarters, with no active demand likely to pick up in the second quarter either, a top official from staffing firm Quess Corp has said. Quess Corp ED and CEO Guruprasad Srinivasan told PTI that demand for technology talents is coming from global capability centres and non-IT companies.

https://www.business-standard.com/industry/news/it-hiring-nearly-flat-for-6-7-quarters-no-q2-recovery-seen-quess-corp-125080300399_1.html

Govt extends PM E-DRIVE scheme by 2 years in some categories

The Prime Minister Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) scheme that was launched with a deadline of March 2026, has been extended by another two years, till March 2028. However, the Ministry of Finance has given the approval to the Ministry of Heavy Industries (MHI) on one condition -- that there will be no extra budget allocated to the extension and remaining funds out of the total outlay of ₹10,900 crore will be utilised, government sources told businessline.

https://www.thehindubusinessline.com/economy/logistics/govt-extends-pm-e-drive-scheme-by-2-years-in-some-categories/article69889927.ece

Indian semiconductor market may grow over two-fold to ₹9.6 trillion by 2030

India's semiconductor market is expected to more than double to grow in the range of $ 100-110 billion by 2030 according to industry estimates, an official statement said on Sunday. The Indian semiconductor market was about $ 45-50 billion in 2024-2025 against $ 38 billion in 2023, the statement said, citing industry estimates. "As per industry estimates, the size of the Indian semiconductor market was about $ 38 billion in 2023, $ 45-50 billion in 2024-2025 and is expected to reach $ 100-110 billion by 2030," the statement said.
https://www.business-standard.com/industry/news/indian-semiconductor-market-may-grow-over-two-fold-to-9-6-trillion-by-2030-125080300570_1.html

FMCG turns the corner as urban demand looks up

Green shoots are emerging in urban consumption after months of a slowdown. The June quarter numbers and commentary of some of the country's top fast-moving consumer goods (FMCG) companies suggest that urban demand is finally coming out of the recent slump. This has been driven by favourable macro-economic fundamentals, lower food inflation, and monetary and fiscal policy measures, FMCG CEOs said, with the trend expected to stay over the full financial year.
https://www.financialexpress.com/business/industry-fmcg-turns-the-corner-as-urban-demand-looks-up-3935457/

Govt plans Rs 5K-crore rare earth push

The government is planning to increase the outlay for the rare earth magnet manufacturing scheme to over Rs 5,000 crore, up from the originally proposed Rs 1,350 crore. In addition, the annual production target is likely to be quadrupled — from 1,500 metric tonne to around 6,000 MT. The move is part of a broader push to expand domestic capacity in the strategically critical segment of rare earth permanent magnets, which are widely used in electric vehicles, wind turbines, electronics, and defence systems. Official sources said the revisions aim to reduce the risk of project failure by expanding industry participation and shielding the sector from global supply disruptions.
https://www.financialexpress.com/business/industry-govt-plans-rs-5k-crore-rare-earth-push-3935387/

New mining policy to ensure ease of business, faster clearances: Gadkari

Union minister Nitin Gadkari on Sunday said the mining policy being framed by the Centre would provide ease of doing business as all clearances will be given in three months so that the extraction process starts in the fourth month. He said all bottlenecks would be removed under the new mining policy. Gadkari said he suggested that the policy should allow the mining process to start as soon as possible. He said he suggested that the environmental clearance should be given in a maximum of one month. "Similarly, the state and central government will give all the necessary clearances. Accordingly, all required permissions will be given in three months and then production should start in the fourth month," he said.
https://www.business-standard.com/industry/news/new-mining-policy-to-ensure-ease-of-business-faster-clearances-gadkari-125080300475_1.html

Food companies saw margin squeeze in Q1, expect reprieve this quarter

Food companies are under stress has been proved by their first-quarter performance, with margins witnessing pressure. While it will take time for them to benefit from lower raw-material costs, analysts expect this to start showing from this quarter (July-September). Raw-material prices like those of palm oil were high in April-June, but those have eased since then. This is because of companies sitting on inventories with prices at elevated levels.
https://www.business-standard.com/industry/news/food-companies-saw-margin-squeeze-in-q1-expect-reprieve-this-quarter-125072801193_1.html

Agriculture

Govt notifies new rules to tighten oversight in vegetable oil sector

The government has notified a new framework for the edible oil industry, imposing stricter registration and reporting requirements on producers to enhance transparency and oversight, according to an official release. The 2025 Vegetable Oil Products, Production and Availability (VOPPA) Regulation Order, notified on August 1 by the Ministry

of Consumer Affairs, Food and Public Distribution, amends the Vegetable Oil Products Production and Availability (Regulation) Order, 2011, under Section 3 of the Essential Commodities Act, 1955.
https://www.business-standard.com/industry/news/govt-notifies-new-rules-to-tighten-oversight-in-vegetable-oil-sector-125080300591_1.html

Need to increase R&D investments to strengthen agri: ICAR DG

Mangi Lal Jat, Secretary, DARE & Director General, ICAR, has said that the country needs to increased investments in agricultural research. "As of now, we are spending merely 0.43 per cent of agricultural GDP on research. In case of extension, it is very meagre at 0.095 per cent as against the global average of 0.93 per cent ," he said. Addressing the 55th Convocation of Prof. Jayashankar Telangana Agricultural University (PJTAU) on Saturday, he said the country should increase R&D investment in agriculture to at least one per cent of the Agri GDP.
https://www.thehindubusinessline.com/economy/agri-business/need-to-increase-rd-investments-to-strengthen-agri-icar-dg/article69890342.ece

India's June tea output dips 9% to 133.50 million kg on adverse weather

After witnessing an increase in the first five months of calendar year 2025, India's tea production declined by about 9 per cent during June to 133.50 million kg on adverse weather conditions impacting the output in the key producing regions. The dip in output was witnessed both in North India and South Indian tea producing regions. In North India, tea production declined by 7.44 per cent to 112.51 million kg during June, over corresponding previous year's 121.52 million kg, as per Tea Board's latest data. Similarly, in South India, the output declined 16.7 per cent to 20.99 million kg during June this year from same period last year's 25.20 million kg, mainly on account of excess rains and less sunny days during the month. However, India's total tea production during January-June 2025 was up at 469.72 million kg over corresponding previous year's 414.08 million kg.
https://www.thehindubusinessline.com/economy/agri-business/indias-june-tea-output-dips-9-to-13350-million-kg-on-adverse-weather/article69889725.ece

Infrastructure

Real estate body urges govt to cap GST on building materials at 18%

G Hari Babu, President of National Real Estate Development Council (NAREDCO) has urged the government to bring the Goods and Services Tax (GST) rates of building materials to the bracket of 18 per cent. Speaking at the announcement of NAREDCO's 17th National Convention in the national capital, NAREDCO President reiterated industry's demand of Input Tax Credit (ITC) under the Central Goods and Services Act (CGST) on commercial assets constructed for leasing purposes.
https://www.thehindubusinessline.com/news/real-estate/real-estate-body-urges-govt-to-cap-gst-on-building-materials-at-18/article69889427.ece

Energy

IBA urges govt to provide concessional electricity tariff for CBG plants

Indian Biogas Association (IBA) has urged the Ministry of Petroleum and Natural Gas to provide a concessional electricity tariff for compressed biogas (CBG) plants to boost the clean energy transition. In a comprehensive submission to the ministry, IBA stressed that the cost of electricity is a significant operational expense, averaging 30 per cent of overall OPEX, ranging between 20 per cent and 48 per cent, based on the feedstock used and the scale of the plant, an IBA statement said.
https://www.business-standard.com/industry/news/iba-urges-govt-to-provide-concessional-electricity-tariff-for-cbg-plants-125080300248_1.html

US penalty risk on Russian oil may add ₹9-11 bn to India's import bill

India's annual oil import bill could rise by $9-11 billion if the country is compelled to move away from Russian crude in response to US threats of additional tariffs or penalties on Indian exports, analysts said. India, the world's third-largest oil consumer and importer, has reaped significant benefits by swiftly substituting market-priced oil with discounted Russian crude following Western sanctions on Moscow after its invasion of Ukraine in February 2022.

https://www.business-standard.com/economy/news/us-penalty-risk-on-russian-oil-may-add-9-11-bn-to-india-s-import-bill-125080300087_1.html

Seven coal blocks successfully auctioned in 12th round of commercial auctions

A total of seven coal blocks have been successfully auctioned, comprising three fully explored and four partially explored coal blocks in the 12th round of commercial auctions, a statement from the Ministry of Coal said this week. The auctions were held from July 28 to July 31, 2025. The Ministry of Coal launched the 12th round of coal block auctions for commercial mining on March 27, 2025. These seven blocks hold a combined geological reserve of approximately 1,761.49 million tonnes.
https://www.thehindubusinessline.com/economy/seven-coal-blocks-successfully-auctioned-in-12th-round-of-commercial-auctions/article69889778.ece

States

Uttar Pradesh govt's $1 trillion target gets economic advisory support

After months of discussion, UP has become a rare state in India to have a Chief Minister's Economic Advisory Group (EAG), similar to the Prime Minister's Economic Advisory Council. Sixteen leaders in different sectors have been named members. They include Mohandas Pai, former Infosys chief financial officer and leader of private equity fund Aarin Capital; Aavishkaar group founder Vineet Rai; Manish Sabharwal, vice-chairman of TeamLease Services; and Amit Kalyani, managing director of Bharat Forge. The Minda group and Larsen and Toubro too were represented. The coordinator of the group is Nachiket Tiwari, professor at the Indian Institute of Technology, Kanpur. The EAG has a two-year term, which makes it virtually coterminous with the term of the government.
https://www.business-standard.com/india-news/uttar-pradesh-govt-s-1-trillion-target-gets-economic-advisory-support-125080300745_1.html

Over 20 lakh Assam farmers get ₹422 cr under PM-KISAN

Over 20 lakh farmers in Assam have received more than ₹422 crore under the PM-Kisan Samman Nidhi scheme, officials said on Sunday. The amount was disbursed on Saturday as part of a nationwide programme, which was launched by Prime Minister Narendra Modi in Varanasi, a senior official of the Agriculture Department said."Under the 20th instalment of the PM-Kisan scheme, more than 20.31 lakh eligible farmer families in Assam have received the benefit," he added.
https://www.thehindubusinessline.com/economy/agri-business/over-20-lakh-assam-farmers-get-422-cr-under-pm-kisan/article69889481.ece

Electronics and renewable energy investments set to dominate state's investment announcements in Thoothukudi

As the Tamil Nadu government kicks off its regional investment summits 'TN Rising' from Thoothukudi on Monday, electronics manufacturing and renewable energy sectors are set to take centrestage. Sources told businessline that South Tamil Nadu's existing strengths in precision manufacturing and green energy, electronics and renewable energy investments are set to be the highlight of the TN Rising conclave at Thoothukudi. The Tuticorin port is also a huge draw for these manufacturing entities to set up export-oriented units, sources said.
https://www.thehindubusinessline.com/news/national/electronics-and-renewable-energy-investments-set-to-dominate-states-investment-announcements-in-thoothukudi/article69890436.ece

External

US tariffs on the horizon: Exporters seek rollout of promotion schemes

With the United States (US) set to impose a 25 per cent tariff on Indian goods starting August 7, exporters have urged the government to shoulder a part of the burden and expedite the rollout of the ₹2,250 crore Export Promotion Mission that has been pending since its announcement. The mission was announced in the Budget for 2025-26 (FY26) but has not been rolled out yet. This has raised concerns among exporters bracing for a potential hit not only from the impending tariffs but also from an unspecified penalty that may be imposed on India for its energy purchases from Russia.

https://www.business-standard.com/economy/news/us-tariffs-on-the-horizon-exporters-seek-rollout-of-promotion-schemes-125080300485_1.html

Philippines President to visit India from Aug 4-8, to meet PM Modi, Murmu

Philippines President Ferdinand Romualdez Marcos Jr is set to visit India from August 4-8, and hold talks with President Droupadi Murmu, Prime Minister Narendra Modi and other officials. Marcos after arrival in New Delhi on August 4 will meet with External Affairs Minister S Jaishankar. On August 5, he will lay a wreath at Rajghat. Marcos will then hold talks with PM Modi in Hyderabad House. Exchange of Memoranda of Understanding and Press Statements will take place thereafter.

https://www.business-standard.com/india-news/philippines-president-to-visit-india-from-aug-4-8-to-meet-pm-modi-murmu-125080300232_1.html

Nepal, China steel may face duty evasion probe

The Directorate of Revenue Intelligence may investigate steel imports from Nepal and China. This action aims to shield the Indian steel industry from substandard products. Nepal has become a major steel exporter to India. Concerns arise about Chinese steel being routed through Nepal. Some Chinese companies are allegedly falsifying quality compliance documents.

https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/nepal-china-steel-may-face-duty-evasion-probe/articleshow/123079875.cms