

August 06, 2025 – Wednesday

Economy

Services PMI edges up to 60.5 in July

With price pressure reaccelerating, the services sector showed subdued performance, according to the Purchasing Managers' Index (PMI) report prepared by S&P Global. The report, published on Tuesday, show that India's services PMI stood at 60.5 in July as against 60.4 of June. Still, economists see a continuation of the strong performance. "At 60.5, the services PMI indicated a strong growth momentum, led by a pick-up in new export orders. Future optimism rose but remained below 1H25 levels," Pranjul Bhandari, Chief India Economist at HSBC, said.
https://www.thehindubusinessline.com/economy/india-services-growth-hits-11-month-high-in-july-on-stronger-exports-pmi-shows/article69896100.ece

Deloitte projects India's FY26 growth at 6.4-6.7%, flags global risks

Deloitte India on Tuesday projected India's economic growth at 6.4-6.7 per cent in the current fiscal citing robust domestic fundamentals and expanding global opportunities. It, however, said that India must monitor its trade exposure and be prepared for the outcomes of geopolitical uncertainties. Strategic trade negotiations, notably with the UK in May and the ongoing talks with the US, and the highly anticipated deal with the European Union by the end of the year, will likely act as powerful multipliers of income, jobs, market access, and domestic demand.
https://www.business-standard.com/economy/news/deloitte-projects-india-s-fy26-growth-at-6-4-6-7-flags-global-risks-125080500606_1.html

India's household savings dipped to 5-year low, liabilities surged to 5-year high, says FinMin data

Indian households' saving, as a percentage of gross domestic product (GDP) has dipped to a five-year low at the end of fiscal year 2023-24 (FY24), while liabilities has surged to five year high, Finance Ministry data has shown. In a written response on Tuesday in Rajya Sabha, Minister of State in the Finance Ministry, Pankaj Chaudhary presented data related to gross domestic savings, household saving and household financial liabilities as percentage of GDP at current prices. These data are based on National Accounts Statistics prepared by Statistics and Programme Implementation Ministry (MoSPI).
https://www.thehindubusinessline.com/economy/indian-households-savings-dipped-to-5-years-low-liabilities-surged-to-5-years-high-as-of-gdp/article69897866.ece

India considering new measures to boost domestic growth amid global trade challenges

India is formulating new strategies to bolster its domestic economy amidst global trade challenges and rising external pressures, including tariffs from the United States. The government aims to enhance ease of doing business and foster investment-friendly policies across all sectors. Ministries are identifying measures for swift implementation to stimulate growth, reduce import dependence, and attract foreign investment.
https://economictimes.indiatimes.com/news/economy/policy/india-implements-new-measures-to-boost-domestic-growth-amid-global-trade-challenges/articleshow/123127029.cms

Finance

Banks' profitability to moderate in FY26 on narrowing margins, higher credit costs: Ind Ra

India Ratings and Research anticipates a slight moderation in banks' profitability for the current fiscal year. This is attributed to increased loan loss provisions and shrinking net interest margins due to rate cuts. Credit growth is projected to reach 13% in FY26, though higher tariffs could pose a risk.
https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-profitability-to-moderate-in-fy26-on-narrowing-margins-higher-credit-costs-ind-ra/articleshow/123123346.cms

RBI removes prior approval requirement for opening vostro accounts

The Reserve Bank of India (RBI) has eliminated the requirement for prior approval when authorising Special Rupee Vostro Accounts (SRVAs), the central bank said in a notification on Tuesday. “On a review, it has been decided to allow AD banks to open Special Rupee Vostro Accounts (SRVAs) of overseas correspondent banks without referring to the Reserve Bank for approval,” the release said. Previously, Indian banks acting as authorised dealers (ADs) were required to obtain RBI permission before opening SRVAs for foreign correspondent banks.
https://www.business-standard.com/finance/news/rbi-removes-approval-requirement-for-opening-vostro-accounts-125080501607_1.html

PSBs told to setup one portal for startup lending

The government has directed public sector banks to create a unified digital portal to streamline startup loan applications, sanctions, and information-sharing. Expected by October, the proposed startup hub portal will feature a single application form accessible to all PSBs.
https://economictimes.indiatimes.com/industry/banking/finance/banking/psbs-told-to-setup-one-portal-for-startup-lending/articleshow/123126585.cms

Big NBFCs raise billions as credit boom brews, RBI watches with interest

Flush with parent backing and top credit ratings, India's largest NBFCs are raising record sums without chasing bank licences, as they prepare for a fresh wave of private sector credit demand. Tata Capital this week filed plans with the regulator to raise Rs 17,200 crore from the market, making it one of the largest ever in the country’s financial sector. Next door, Jio Financial Services plans to raise a comparable Rs 15,830 crore through a sale of shares to its founder Reliance Industries. Around them, other financial sector companies, or NBFCs, have also begun raising strong tranches of capital. HDB Financial Services, with promoter HDFC Bank, for instance, has raised about the same — Rs 12,500 crore or about $1.5 billion.
https://www.business-standard.com/finance/news/big-nbfcs-raise-billions-as-credit-boom-brews-rbi-watches-with-interest-125080501299_1.html

SEBI weighs replacing weekly F&O expiry with longer tenures

The Securities and Exchange Board of India (SEBI) is weighing a proposal to replace the current weekly expiry cycle in derivatives with bi-monthly or monthly expiries in a bid to reduce short-term volatility and steer traders back towards the cash equity market.The matter will be discussed at a meeting with secondary market stakeholders on August 19, and recommendations from the industry will be incorporated into SEBI’s final proposals, sources said.
https://www.thehindubusinessline.com/markets/sebi-weighing-curbs-to-weekly-derivatives-expiries-to-check-speculation/article69898055.ece

Nabard, RBI promote rural financial literacy; 2,421 centres set up for financial literacy: MoS

Nabard and RBI are actively promoting financial literacy among India's rural population through various initiatives. These include financial literacy camps, digital literacy programs, and the establishment of Centre for Financial Literacy (CFL) projects. These efforts aim to enhance awareness of banking products, government schemes, digital banking, and cyber security, ultimately fostering financial inclusion at the village level.
https://economictimes.indiatimes.com/news/economy/finance/nabard-rbi-promote-rural-financial-literacy-2421-centres-set-up-for-financial-literacy-mos/articleshow/123121897.cms

Industry

Centre shortlists 18 proposals for R&D of EV components

The Centre has shortlisted 18 proposals for research and development (R&D) of electric vehicle (EV) subsystems to boost domestic manufacturing of these largely imported components, looking to reduce dependence on imports. A final call on the proposals will be taken after vetting by a panel comprising officials from the Ministry of Heavy Industries (MHI) and Ministry of Electronics and Information Technology (MeitY), officials said.
https://economictimes.indiatimes.com/industry/renewables/centre-shortlists-18-proposals-for-rd-of-ev-components/articleshow/123126477.cms

India's corporate earnings growth stays weak, banks and IT firms disappoint

India's listed companies posted yet another quarter of lackluster earnings in the April-to-June period, extending a bout of weakness which began last year and weighed on benchmark stock indexes.The Indian economy is expected to grow at a world-beating 6.5% in the current fiscal year and inflation has been low. Yet, sectors from banks to IT services are facing earnings pressure from pockets of weakness in domestic and global demand.
https://www.thehindubusinessline.com/economy/indias-corporate-earnings-growth-stays-weak-banks-and-it-firms-disappoint/article69896721.ece

Parliamentary panel pitches for ESG oversight body to combat greenwashing

The corporate affairs ministry should set up an ESG oversight body to actively combat greenwashing activities and also put in place penal provisions for fraudulent ESG claims, according to a Parliamentary panel. Generally, greenwashing refers to claims by companies about any product or service having a climate-friendly impact. ESG (Environmental, Social, and Governance) principles are part of the Companies Act, 2013.
https://www.business-standard.com/india-news/parliamentary-panel-pitches-for-esg-oversight-body-to-combat-greenwashing-125080500578_1.html

Agriculture

Govt aims 50% rise in milk procurement with White Revolution 2.0: Amit Shah

The government is working to increase milk procurement by 50 per cent over the next five years under the cooperative-led White Revolution 2.0, Union Cooperation Minister Amit Shah said on Tuesday. Chairing the second meeting of the Parliamentary Consultative Committee, Shah outlined the government's ambitious plans for the cooperative sector, including the target of setting up 2 lakh multipurpose cooperative societies. So far, 35,395 new cooperative societies have been formed under this initiative.
https://www.business-standard.com/industry/agriculture/govt-aims-50-rise-in-milk-procurement-with-white-revolution-2-0-amit-shah-125080501931_1.html

ISMA launches AI network to boost sugarcane productivity

The Indian Sugar and Bio-energy Manufacturers Association (ISMA) on Tuesday announced the launching of national AI-ML network programme in partnership with Agriculture Development Trust (ADT) of Baramati, Maharashtra. The initiative leverages the power of artificial intelligence (AI) to significantly enhance sugarcane productivity, quality, sustainability, and farmers' income, ISMA said. Higher yields and better resource use will not only improve sugar recovery but also directly boost farm profitability, ISMA said in a statement. It also said that it has signed a Memorandum of Understanding (MoU) with the ADT and also with Pune-based agri-tech service provider Map My Crop (MMC).
https://www.thehindubusinessline.com/economy/agri-business/isma-launches-ai-network-to-boost-sugarcane-productivity/article69898006.ece

Remove non-subsidised fertilizers from the purview of Essential Commodities Act, urges IMMA

The Indian Micro-Fertilizers Manufacturers Association (IMMA) has called for the decriminalisation of non-subsidised fertilizer violations.The association has proposed that non-subsidised fertilizers should be removed from the Essential Commodities Act (ECA), as there is no longer any shortage of fertilizers or food in the country.
https://www.thehindubusinessline.com/economy/agri-business/remove-non-subsidised-fertilizers-from-the-purview-of-essential-commodities-act-urges-imma/article69897609.ece

Infrastructure

Indian airlines seek fair play as Europe squeezes slots

Indian airlines are facing difficulties in securing slots at key international airports. Amsterdam and London Heathrow are posing challenges. This restricts their ability to fully utilize allocated flying rights. IndiGo's Amsterdam flight faces uncertainty. Air India also encountered slot issues previously. The airlines are urging government intervention to ensure fair access. They want a level playing field with foreign carriers.
https://economictimes.indiatimes.com/industry/transportation/airlines-/-aviation/indian-airlines-seek-fair-play-as-europe-squeezes-slots/articleshow/123126622.cms

Energy

E20 petrol won't affect fuel efficiency, may boost performance, says govt

The Ministry of Petroleum and Natural Gas has rejected reports suggesting that E20 petrol -- fuel blended with 20 per cent ethanol -- leads to a reduction in fuel efficiency. In a social media post, the ministry stated that such claims are factually incorrect and lack support from scientific research. It explained that although ethanol possesses a lower energy density than petrol, the effect on mileage is minimal.
https://www.business-standard.com/economy/news/e20-petrol-won-t-affect-fuel-efficiency-may-boost-performance-says-govt-125080500538_1.html

States

Gujarat remains top exporting state in FY25 with ₹9.83 trn exports: FIEO

Gujarat retained its position as India's top exporting state in 2024-25, with outbound shipments worth Rs 9.83 lakh crore, accounting for 26.6 per cent of the country's total exports, FIEO said on Tuesday. It said despite a marginal dip from the previous year, Gujarat's exports remained significantly ahead of all other states, nearly Rs 4.3 lakh crore more than Maharashtra (Rs 5,57,271 crore), the second-ranked state. Maharashtra is followed by Tamil Nadu, Karnataka, Uttar Pradesh, Andhra Pradesh and Telangana, according to the analysis of the Federation of Indian Export Organisations (FIEO).
https://www.business-standard.com/economy/news/gujarat-remains-top-exporting-state-in-fy25-with-9-83-trn-exports-fieo-125080501577_1.html

West Bengal's GST revenues rise 12% in July, Tripura leads with 41% surge

West Bengal recorded a 12 per cent year-on-year (Y-o-Y) increase in gross Goods and Services Tax (GST) collections in July 2025, with receipts climbing to ₹5,895 crore from ₹5,257 crore in the same month last year, according to provisional figures released by the Ministry of Finance. The state’s cumulative GST revenue growth rate for the financial year to July stood at 7.71 per cent. In a social media post, Chief Minister Mamata Banerjee said the performance marks a "steady improvement in business and consumption" in West Bengal, which is a sign of good economic health. The state recorded a 5 per cent Y-o-Y rise in GST collections in June 2025, with receipts totalling ₹5,551 crore compared to ₹5,273 crore in the same month last year.
https://www.business-standard.com/economy/news/gst-collections-july-2025-tripura-bihar-rise-mizoram-jharkhand-decline-125080501067_1.html

Andaman & Nicobar plans commercial helicopter services to boost tourism

The Directorate of Civil Aviation, Andaman & Nicobar administration, has invited Expressions of Interest (EOIs) from registered Indian aviation companies for introduction of commercial helicopter services from Sri Vijaya Puram (formerly Port Blair) to 11 islands in the archipelago, popular among tourists. The call for EOIs, issued on August 4, is aimed at obtaining response from interested operators and ironing out operational concerns before proceeding to a formal tender. Subsequent to this, based on the responses would float a transparent and competitive request for proposal (RFP) on no-cost-no-commitment (NCNC) basis for selection of the operator.
https://www.business-standard.com/india-news/andaman-nicobar-commercial-helicopter-services-tourism-eoi-125080500486_1.html

60% women in energy sector seek gender-based policies: IESA report

About 60 per cent of women respondents in the energy sector have called for gender-responsive policies to boost the country's 500 GW renewables target by 2030, a report by industry body India Energy Storage Alliance (IESA) said. The study, conducted across 26 states highlighted the urgent need for strong policy and regulatory frameworks to foster participation of women in India's energy sector, an IESA statement said.
https://www.business-standard.com/industry/news/60-women-in-energy-sector-seek-gender-based-policies-iesa-report-125080501221_1.html

Healthcare

Indian generics wave next year set to sink obesity drug price

Leading Indian drugmakers are preparing to launch generic versions of semaglutide by March. Analysts predict a significant price drop, potentially up to 80%. This will make the drug more accessible to obese and diabetes patients. The domestic weight-loss drug market is expected to grow substantially. Semaglutide patent expiry will trigger price erosion and increased adoption.
https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/indian-generics-wave-next-year-set-to-sink-obesity-drug-price/articleshow/123127121.cms

External

Substantial tariff hike on India in 24 hours: US President Donald Trump

With New Delhi still looking to find ways to respond to the White House threats of increasing tariffs on Indian goods, US President Donald Trump on Tuesday issued a fresh warning saying he would raise tariffs “very substantially” over the next 24 hours because India is buying Russian oil. He termed India as not a good trading partner. About the trade deal with India that seemed imminent, Trump said the “sticking point” with India is that its tariffs are too high. Trump’s latest statement on the issue came hours after India’s Ministry of External Affairs (MEA) issued a terse statement on Monday evening, where it termed the targeting by the US and the European Union for importing Russian crude unjustified and unreasonable.
https://www.business-standard.com/economy/news/substantial-tariff-hike-on-india-in-24-hours-us-president-donald-trump-125080501990_1.html

India’s textile exporters say US tariff hit can be offset by FTAs

India’s textile exporters say exports loss because of the imposition of 25 per cent tariffs by US President Donald Trump will be compensated by gains in exports due to free trade agreements (FTAs) India has signed with other nations. Exporters remain confident about their future and are urging the government to take proactive steps to support the industry. Champalal Bothra, National Chairman of the Confederation of All India Traders (CAIT), told ANI that, "Despite Donald Trump imposing tariffs on India, the textile industry is not facing any problems. We want to tell the Indian government that the 35 per cent of our exports that go to the US can be compensated through free trade agreements (FTAs) by amending government policies and by exporting to other countries by reducing costs. If any country tries to bind it, India will not stop. The trader here will not work under the pressure of tariffs; it will find a new market and thrive."
https://www.thehindubusinessline.com/economy/indias-textile-exporters-say-us-tariffs-hit-can-be-compensated-by-ftas/article69896229.ece

Inaugural India-New Zealand defence strategic dialogue held in Delhi

The inaugural edition of India-New Zealand Defence Strategic Dialogue was held here on Tuesday with an aim to discuss security perspectives and further bolster bilateral cooperation, officials said. The meeting was co-chaired by Joint Secretary (International Cooperation), defence ministry, Amitabh Prasad and Head of International Branch, Ministry of Defence, New Zealand, Kathleen Pearce. "Both nations expressed satisfaction at the ongoing defence cooperation and identified means to enhance the existing areas of collaboration, especially in the fields of training, capability building, defence industry, maritime security and multinational cooperation," the Indian defence ministry said. The co-chairs also articulated steps in the direction of emerging areas of cooperation and issues pertaining to global commons, officials said.

https://www.business-standard.com/pti-stories/national/inaugural-india-new-zealand-defence-strategic-dialogue-held-in-delhi-125080600027_1.html

Indian agri products face SPS roadblocks to get FTA benefits from UK

As the United Kingdom and European Union are moving towards an agreement on sanitary and phytosanitary (SPS) rules, Indian agricultural produce exporters may have to comply with stricter maximum residue limit (MRL) norms in the UK, potentially negating the zero-duty benefits under the recently concluded India-UK free trade agreement.
https://www.thehindubusinessline.com/economy/agri-business/indian-agri-products-face-sps-roadblocks-to-get-fta-benefits-from-uk/article69897655.ece

Narendra Modi, Marcos unveil strategic push in Indo-Pacific theatre

India and the Philippines on Tuesday signed nine agreements, including a declaration establishing a strategic partnership, as well as terms of reference for talks between their respective armed forces and cooperation on the peaceful use of outer space. The strategic partnership was announced following talks in New Delhi between Prime Minister Narendra Modi and visiting Philippine President Ferdinand R Marcos Jr. The meeting came just a day after the Indian and Philippine navies wrapped up two days of joint exercises near the contested Scarborough Shoal in the South China Sea -- a region that remains a flashpoint in the long-running maritime dispute between Beijing and Manila.
https://www.business-standard.com/economy/news/india-philippines-bilateral-preferential-trade-strategic-ties-125080501695_1.html