

August 08, 2025 – Friday

Economy

After 3 decades, govt revises base year for CPI rural-farm labour

In a bid to better reflect the state of inflation experienced by rural population, the labour bureau has revised the base year for Consumer Price Index for Agricultural and Rural Labourers (CPI-AL/RL) to 2019 from 1986-87 at present. The use of 1986-87 as base year for the two indices was made effective nearly three decades ago in November 1995. The two indices are used for determining minimum wages for agricultural and rural labourers (engaged in either agri or non-agri work) by both central and state governments. Also, the CPI-AL is used to determine wages under the central government's flagship rural jobs programme — Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).
https://www.business-standard.com/economy/news/cpi-al-rl-base-year-revised-to-2019-after-three-decades-125080701731_1.html

US Tariffs Threaten to Derail India's Economic Ascent, Take Out 0.3 Percentage Point of GDP: Goldman Sachs

A blow to India's economic ambitions looms as the US President Donald Trump slaps another 25 per cent ad valorem duty on Indian goods, effective August 27. With this, the total tariff hit goes up to 50 per cent now. These tariff could siphon off 0.3 percentage points (pp) from India's annualised GDP growth, casting a shadow over the nation's otherwise buoyant economic trajectory, according to the borkerage firm Goldman Sachs's report.
https://www.thehindubusinessline.com/companies/us-tariffs-threaten-to-derail-indias-economic-ascent-take-out-03-percentage-point-of-gdp-goldman-sachs/article69905684.ece

India to fast-track domestic reforms amid rising US tariff pressure

In response to the US imposing a 50% duty on most Indian exports, the Indian government is fast-tracking domestic reforms to cushion the economic impact. Officials said a "whole of government" approach is underway, with the finance ministry leading key efforts. A deregulation commission aimed at removing outdated compliances will be set up soon, with potential expansion of its mandate based on performance.
https://economictimes.indiatimes.com/news/economy/policy/india-to-fast-track-domestic-reforms-amid-rising-us-tariff-pressure/articleshow/123173074.cms

Finance

Co-lending norms: Tech integration could prove a hurdle

Following the RBI's tighter regulations on co-lending, banks and NBFCs may shift towards direct assignment of assets. The new rules demand significant tech integration and credit policy alignment, potentially slowing down operationally intensive loans. While larger NBFCs might find the compliance burdensome, smaller ones could benefit from the default loss guarantee, enhancing their scaling ability.
https://economictimes.indiatimes.com/industry/banking/finance/banking/co-lending-norms-tech-integration-could-prove-a-hurdle/articleshow/123174265.cms

Banks must release funds without legal docs for survivor accounts: RBI

The Reserve Bank of India (RBI) has directed banks not to insist on the production of legal documents where an account was opened with a survivorship clause and has nominees or survivors. In such cases, banks are only required to obtain a claim form, the death certificate, and an officially valid document of the nominee or survivor. "Lenders shall adopt a simplified procedure for the settlement of claims in deposit accounts where a deceased depositor had not made any nomination or in cases of joint accounts without a nominee or survivorship clause, keeping in view the imperative need to avoid inconvenience and undue hardship to the claimant or legal heir. For settlement of such claims, a bank, based on its risk management systems, shall fix a threshold limit, subject to a minimum of ₹15 lakh," the RBI said.

https://www.business-standard.com/finance/news/rbi-directs-banks-to-release-funds-without-legal-docs-for-nominees-125080701573_1.html

SEBI mulls easier rules for investment advisors and research analysts

The Securities and Exchange Board of India (SEBI) has proposed a series of relaxations for investment advisors (IAs) and research analysts (RAs) to streamline compliance and encourage broader participation. These include changes to eligibility criteria, data disclosure rules, and registration processes.

https://www.thehindubusinessline.com/markets/sebi-mulls-easier-rules-for-investment-advisors-and-research-analysts/article69906821.ece

SEBI introduces joint inspection for brokers, DPs by MIIs

The Securities and Exchange Board of India (SEBI) on Thursday mandated a unified annual inspection for stock brokers and depository participants to be conducted jointly by all relevant market infrastructure institutions (MIIs), replacing the existing practice of separate assessments by each entity. The regulator aims to reduce repeated visits and save time and resources for market intermediaries.

https://www.thehindubusinessline.com/markets/sebi-introduces-joint-inspection-for-brokers-dps-by-miis/article69906868.ece

Non-life insurers clocked 2.7% growth in premiums in July, shows data

Non-life insurers reported a muted 2.76 per cent year-on-year (Y-o-Y) growth in premiums in July, owing to a decline in premiums reported by multi-line general insurers. Data from the General Insurance Council show that the non-life insurance industry's total premiums stood at Rs 29,729.8 crore. General insurers reported a marginal 0.32 per cent Y-o-Y drop in premiums to Rs 24,480 crore, while standalone health insurers posted a modest 10 per cent Y-o-Y rise in premiums to Rs 3,622 crore.

https://www.business-standard.com/finance/insurance/life-insurers-post-muted-2-7-percent-growth-in-july-premiums-125080701583_1.html

CPSEs' capex crosses 28% of target in April-July

Capital expenditure by 60 Central Public Sector Enterprises (CPSEs) and 4 other organisations has reached over 28 per cent of target in the first four months of the current fiscal (2025-26), data from Public Enterprises Department showed.These CPSEs include large CPSEs such as NTPC, ONGC, Indian Oil, GAIL, Coal India and Hindustan Aeronautics et al besides organisations such as National Highway Authority of India and Railway Board among others. Capital expenditure by CPSEs is key to overall growth as private sector capex is still subdued.

https://www.thehindubusinessline.com/economy/cpses-capex-crosses-28-of-target-in-april-july/article69906582.ece

Industry

Trump trade tariffs: MCA planning to ease compliance burden for MSMEs

As part of a broader strategy to shield domestic industry from US tariffs, the Ministry of Corporate Affairs (MCA) is planning to ease compliance reforms for medium, small and micro enterprises (MSMEs), according to official sources. "We are looking at it very seriously and taking inputs from the MSME ministry as well," a government source said. The MCA may also consider amendments to the existing Companies Act for simpler certification processes for MSMEs and doing away with certain compliances for such companies, sources said. Some of the measures which

were recommended in the expert committee report regarding Company Law in 2022 included reducing fines and penalties which are designed keeping larger companies in mind.
https://www.business-standard.com/industry/sme/trump-trade-tariffs-mca-planning-to-ease-compliance-burden-for-msmes-125080601726_1.html

US tariffs raise concerns across India's automotive and component sectors

The White House's decision to impose an additional 25 per cent tariff on Indian imports — raising total duties to 50 per cent — has sparked concern across India's automotive and component sectors. With the US accounting for 27 per cent of India's auto component exports and 17 per cent of tyre exports, analysts warn the hike could sharply dent India's price competitiveness, particularly in off-highway components and the replacement tyre segment, compared to Asian peers like Vietnam and Indonesia, who enjoy lower or preferential trade duties.
https://www.business-standard.com/economy/news/us-tariffs-trigger-concerns-across-indian-automotive-component-sector-125080701619_1.html

IT sector braces for slower growth trajectory as US tariff tensions mount

US President Donald Trump's decision to increase tariffs on Indian exports to 50 per cent may not directly affect India's information technology (IT) sector, but industry executives said it will further delay demand recovery amid a weakening global macroeconomic environment. Analysts also warned of a temporary slowdown in the expansion of global capability centres (GCCs), which have been a key driver of growth and investment in India's tech ecosystem.
https://www.business-standard.com/industry/news/it-sector-braces-for-slower-growth-trajectory-as-us-tariff-tensions-mount-125080701620_1.html

Indian FMCG giants mull new manufacturing units for exports to US as tariffs bite

Indian consumer goods companies like Amul, ITC, Parle, and Godrej Consumer Products are exploring alternative manufacturing bases outside India—including third countries or even the US—to manage rising tariff-related risks. Amul, already producing milk in the US, plans to expand to paneer, butter, and cheese to avoid high duties.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indian-fmcg-giants-mull-new-manufacturing-units-for-exports-to-us-as-tariffs-bite/articleshow/123172799.cms

Trump's proposed chip duty not to hit Apple in India

Apple's manufacturing of iPhones in India under the government's smartphone PLI, remains firmly on track despite President Donald Trump's latest push for a 100% tariff on semiconductor chips imported from countries that don't produce, or plan to produce in the US. While the sweeping proposal has sparked uncertainty across the global tech supply chain, Apple will not be impacted, for now.
https://www.financialexpress.com/business/industry/trumps-proposed-chip-duty-not-to-hit-apple-in-india/3939901/

Startups turn to plug-and-play AI for faster & cheaper deployment

As enterprises rapidly scale up artificial intelligence (AI) adoption across operations, AI and SaaS startups are betting big on a new way to deliver results without the cost and complexity of traditional AI systems — modular AI. Modular AI basically refers to pre-built, function-specific components that can be used individually or assembled together to automate or optimise business workflows. These modules are designed for tasks like fraud detection, natural language processing, and sales forecasting, which can be plugged into existing systems one at a time, making them easier to deploy, manage and upgrade.
https://www.financialexpress.com/business/start-ups/startups-turn-to-plug-and-play-ai-for-faster-cheaper-deployment/3939031/

Agriculture

India-US agri trade at all-time high despite Trump's tariff threats

From a period of January to June in 2025, India imported $1,693.2 million worth of agricultural products from the US, which is approximately 49.1% more than what it bought during the same period in 2024 ($1,135.8 million). At

the same time, India's agricultural exports to the US also rose by 24.1%, from $2,798.9 million in early 2024 to $3,472.7 million in early 2025.
https://www.financialexpress.com/policy/economy-india-us-agri-trade-at-all-time-high-despite-trumps-tariff-threats-3939235/

Indian shrimp exporters seek incentives to offset tariff impact

With a 50 per cent reciprocal tariff set to hurt the Indian shrimp exports in the largest market — the United States, stakeholders have sought support from the government through interventions such as reinstating of interest equalisation scheme and enhancing of incentives under RoDTEP to tide over the situation. Voicing concern, the Seafood Exporters Association of India (SEAI) said at this high rate of tariff it will be impossible to supply goods to any market.
https://www.thehindubusinessline.com/economy/agri-business/indian-shrimp-exporters-seek-incentives-to-offset-tariff-impact/article69905598.ece

Infrastructure

Indian Railways to ease lease policy with eye on ecomm revenue

Indian Railways has modified its land monetisation policy to allow sorting, grading, packaging, and labelling units on its vacant land. The change, part of a broader amendment to the 2022 land leasing policy, aims to attract more ecommerce cargo by expanding the scope of eligible infrastructure. The revision removes the earlier requirement for goods movement in at least one direction on the railway network for concessional leases.
https://economictimes.indiatimes.com/industry/transportation/railways/indian-railways-to-ease-lease-policy-with-eye-on-ecomm-revenue/articleshow/123173182.cms

Energy

Govt body NRDC suggests mandatory policy framework for zero emissions

An organisation under the Ministry of Science and Technology has recommended a portion of a vehicle manufacturer's annual sales, to be set each year, should be zero-emission vehicles (ZEVs). The National Research Defence Council (NRDC), a body which is under the Ministry of Science and Technology and which, with the Ministry of Heavy Industries, works on environmental solutions, in its report released on Wednesday, has made the proposal, which is in line with the government considering a shift in its policy framework for increasing electric-vehicle (EV) penetration by moving from incentive-based support and subsidies under Faster Adoption and Manufacturing Electric (and Hybrid), or FAME, to supply-side regulation.
https://www.business-standard.com/industry/auto/govt-body-suggests-mandatory-norm-on-zero-emission-125080701934_1.html

Centre gears up for the launch of PM-KUSUM 2.0 to meet growing demand

The ministry of new and renewable energy (MNRE) is considering launching phase 2 of the PM-KUSUM (Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan) scheme—brought under the Agriculture Infrastructure Fund (AIF) last August—in response to rising demand, a senior official said. It would be implemented in the next financial year, they added. While the current phase will run till FY26 to add 34.8 gigawatt (GW) of solar capacity, the second phase is likely to match or exceed Phase 1's scale (₹34,000–35,000 crore outlay and installation of 4.9 million pumps), with possible additions like agrovoltaics and minor guideline revisions.
https://www.business-standard.com/economy/news/centre-gears-up-for-the-launch-of-pm-kusum-2-0-to-meet-growing-demand-125080702012_1.html

Govt plans 97 GW coal, lignite-based thermal power capacity boost

The power ministry has planned to develop an additional 97 GW coal and lignite-based electricity generation capacity to achieve the required 307 GW of thermal installed capacity by 2034-35, Parliament was informed on Thursday. This assumes significance in view of India's ambitious target of 500 GW of renewable energy capacity by 2030 and net zero target by 2070. In a written reply to Lok Sabha, Minister of State for Power Shripad Yesso Naik

said, "The projected thermal (coal and lignite) capacity requirement by the year 2034-35 is estimated at approximately 3,07,000 MW as against the 2,11,855 MW installed capacity as on March 31, 2023."
https://www.business-standard.com/industry/news/govt-plans-97-gw-coal-lignite-based-thermal-power-capacity-boost-125080700706_1.html

Russian oil to flow to India even as Trump intensifies pressure

India's pushback against US pressure on its continued purchase of Russian crude oil offers clarity at a time when global oil markets are gearing up for a shift in trade flows. New Delhi's criticism of the West's hypocrisy of pressuring India while they themselves continue to be major importers of Russian fossil fuels and other commodities is supported by data that the EU and US have thus far glossed over.
https://www.thehindubusinessline.com/markets/commodities/russian-oil-to-flow-to-india-even-as-trump-intensifies-pressure/article69906398.ece

Telecom

IAMAI flags data protection hurdles for AI firms

The Internet and Mobile Association of India (IAMAI) has raised concerns about the practical implications of the Digital Personal Data Protection Act (DPDP Act), particularly regarding the use of publicly available personal data by AI firms. In a submission to the ministry of electronics and information technology (Meity), IAMAI has flagged ambiguities in the law that it says could significantly hamper AI development in the country.
https://www.financialexpress.com/business/industry/iamai-flags-data-protection-hurdles-for-ai-firms/3939922/

States

Rajasthan govt signs 1,600 MoUs worth ₹1.37 trillion for tourism push

The Rajasthan government has signed 1,600 memoranda of understanding (MoUs) with a proposed investment of over ₹1.37 trillion in the tourism sector. The projects, including hotels, resorts, heritage properties, wellness centres and eco-tourism, were inked as part of the Rising Rajasthan Global Investment Summit, held in December 2024. "An investment of about ₹1.37 trillion is proposed in these, and around 1.9 lakh people are expected to get employment once these projects are on the ground", Rukmani Riar, commissioner, Department of Tourism, said.
https://www.business-standard.com/economy/news/rajasthan-govt-signs-1-600-mous-worth-1-37-trillion-for-tourism-push-125080701211_1.html

UP govt's new policy aims to boost leather manufacturing, exports

The Uttar Pradesh government is planning to leverage the free trade agreement (FTA) between India and the United Kingdom (UK) through a proposed policy to boost the manufacturing and exports of the state's traditional leather goods industry. The proposed UP Footwear, Leather and Non-Leather Sector Development Policy 2025 will focus on a cluster-based development model to promote the sector. This comes as India is aiming to augment its leather and footwear exports to $50 billion by 2030.
https://www.business-standard.com/industry/news/up-govt-s-new-policy-aims-to-boost-leather-manufacturing-exports-125080701649_1.html

Tamil Nadu simplifies industrial clearances; 609 industries now under 'White Category'

In a major boost to Ease of Doing Business, the Tamil Nadu government has expanded the list of industries classified under the White Category from 36 to 609. Industries under the White Category are exempted from obtaining Consent to Establish (CTE) and Consent to Operate (CTO) from the Pollution Control Board to start a business.
https://www.thehindubusinessline.com/news/tamil-nadu-simplifies-industrial-clearances-609-industries-now-under-white-category/article69905758.ece

Women in AP can travel for free in State-run buses from August 15

About 2.62 crore women in Andhra Pradesh will travel for free in the buses of Andhra Pradesh State Road Transport Corporation (APSRTC) from August 15, 2025 as part of the free bus travel scheme for women. The scheme is one of

the Super Six welfare schemes promised by the ruling NDA Government in the State led by Chief Minister N Chandrababu Naidu before the elections held last year.
https://www.thehindubusinessline.com/news/women-in-ap-can-travel-for-free-in-state-run-buses-from-august-15/article69905067.ece

Healthcare

Pharma Inc mulls offshore strategy as US tariff fears hit sentiment

Indian pharmaceutical companies are brainstorming to weather the US tariff storm, even though medicines remain exempt from the US levy for now. Several companies that Business Standard spoke to said they were engaged in scenario planning, evaluating mid- and long-term strategies such as setting up offshore manufacturing, securing raw material from multiple sourcing, and exploring contract manufacturing options within the US.
https://www.business-standard.com/industry/news/pharma-india-weighs-export-strategy-as-us-tariff-threat-looms-125080701570_1.html

Medical device firms sound the alarm over new steel standards

Earlier, foreign suppliers only needed BIS certification for finished steel products. Under the new rule, materials like hot rolled steel, ingots manufactured by other countries for Indian buyers will have to get BIS certification. The manufacturers have written to the ministry of steel seeking exemption for the import of stainless steel capillary without BIS certification.
https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/medical-device-firms-sound-the-alarm-over-new-steel-standards/articleshow/123173503.cms

External

Trump rules out trade talks with India until tariff dispute resolved

US President Donald Trump has ruled out any possibility of trade negotiations with India until the two countries resolve the ongoing dispute over tariffs. The US has imposed 50 per cent tariffs on Indian goods, with the first tranche of 25 per tariffs coming into effect on Thursday. The second 25 per cent hike, imposed as a penalty for India's purchase of Russian oil, is scheduled to come into effect on August 27. When asked by a reporter whether he expected trade negotiations with India after announcing the tariffs, Trump simply shrugged and replied: "No, not until we get it resolved."
https://www.business-standard.com/world-news/trump-tariffs-dispute-us-trade-india-imports-125080800105_1.html

PM Modi speaks to Brazil's Lula, leaders promise to boost India-Brazil ties

India and Brazil on Thursday agreed to strengthen collaboration across key sectors such as trade, technology, energy, defence, agriculture, health, and cultural exchanges, following a phone call between the leaders of both countries. The agreement was reached during a conversation between Prime Minister Narendra Modi and Brazilian President Luiz Inácio Lula da Silva, the Indian Prime Minister's Office (PMO) said in a statement.
https://www.business-standard.com/external-affairs-defence-security/news/pm-modi-lula-india-brazil-trade-defence-energy-us-tariffs-donald-trump-125080701928_1.html

India accepts global certification for organic textile exports

In a significant policy shift, the Directorate General of Foreign Trade (DGFT) has clarified that organic textiles do not fall within the scope of the National Programme for Organic Production (NPOP) – a standard that applies to other organic products. This new stance marks the first time the government has officially recognised the role of a private global standards body, the Global Organic Textile Standard (GOTS), in allowing exports from India.
https://www.thehindubusinessline.com/economy/agri-business/india-accepts-global-certification-for-organic-textile-exports/article69906240.ece

Led by mobile phones, India's electronics exports grow 47% to $12.4 billion in Q1FY26: ICEA

Led by a strong performance in mobile phone exports, India's electronics exports have witnessed a sharp rise in the first quarter (Q1) of FY26, with a 47 per cent year-on-year (y-o-y) growth to $12.4 billion. The country saw electronics exports amounting to $8.43 billion in the same period last year.
https://www.thehindubusinessline.com/economy/led-by-mobile-phones-indias-electronics-exports-grow-47-to-124-billion-in-q1fy26-icea/article69905089.ece

Rise in US tariff to pull down gem and jewellery exports by 75%

The recent increase in US import tariffs to 50 per cent on gem and jewellery products from India has led to a significant disruption in bilateral trade. The duty on export to the US will increase from 10 per cent to 25 per cent from Friday. From August 27, the US will double the levy to 50 per cent on various gem and jewellery commodities, including cut and polished diamonds, lab-grown diamonds, gold, silver, platinum and imitation jewellery.
https://www.thehindubusinessline.com/news/rise-in-us-tariff-to-pull-down-gem-and-jewellery-exports-by-75/article69905795.ece