

August 12, 2025 – Tuesday

Economy

New Income Tax Bill gets Lok Sabha nod

The Lok Sabha approved the new income tax bill, eliminating alternate minimum tax on LLPs and allowing refund claims even without timely return filings. Replacing the 1961 Act, the bill simplifies language, redefines terms like 'tax year,' and incorporates select committee recommendations. It maintains loss carry forward provisions, tweaks MSME definitions, and reintroduces deductions for inter-corporate dividends.
https://economictimes.indiatimes.com/news/economy/policy/new-income-tax-bill-gets-lok-sabha-nod/articleshow/123243238.cms

Wholesale inflation in country likely declined to 2-year low to -0.45% in July: UBI Report

Wholesale inflation in India likely fell to a near two-year low in July 2025, driven by a sharp drop in food and fuel prices, according to a report by Union Bank of India. The Wholesale Price Index (WPI) is estimated to have declined to -0.45 per cent year-on-year (y/y) in July, compared to -0.13 per cent in June, marking the lowest level in almost two years.
https://economictimes.indiatimes.com/news/economy/indicators/wholesale-inflation-in-country-likely-declined-to-2-year-low-to-0-45-in-july-ubi-report/articleshow/123248637.cms

Donald Trump tariff woes keep rupee near record low despite weak dollar

The rupee is hovering near record lows against the US dollar despite a sharp slide in the greenback this year. The domestic currency has fallen 2.3 per cent so far this calendar year, even as the dollar index — which tracks the greenback against six major peers including the euro, Japanese yen, British pound, Swiss franc, Canadian dollar and Swedish krona — has dropped 9.53 per cent. According to market participants, the rupee has stayed under pressure despite the weaker dollar as subdued capital inflows and external headwinds weigh on investor sentiment. Recent US tariff hikes of up to 50 per cent on Indian exports have heightened trade tensions, dented investor confidence, and spurred foreign portfolio outflows.
https://www.business-standard.com/markets/news/a-weak-dollar-hasn-t-prevented-rupee-from-trading-near-record-lows-125081101699_1.html

Finance

RBI says re-KYC completed for over 3.5 mn accounts in FI campaign

The Reserve Bank of India (RBI) on Monday said banks have completed re-KYC for over 3.5 million accounts, with the process being closely monitored by the government and the central bank. Banks are currently conducting a nationwide campaign at the Gram Panchayat level from July 1 to September 30, 2025, to ensure saturation of financial inclusion (FI) schemes. As part of this drive, re-KYC of bank accounts is also being undertaken, the RBI said in a statement.
https://www.business-standard.com/finance/news/rbi-re-kyc-completed-35-lakh-accounts-financial-inclusion-camps-125081101808_1.html

Indian Banks' ad spends surge 160% in 5 years

Indian banks are strategically increasing their advertising budgets, with a 160% surge over the past five years. This shift reflects a new focus on full-funnel marketing, targeting both brand awareness and customer acquisition. The summary also highlights top spenders like ICICI Bank and Kotak Mahindra Bank and the declining ad efficiency despite rising spends.
https://www.financialexpress.com/business/industry/indian-banks-ad-spends-surge-160-in-5-years/3943320/

India defies Trump's Dollar diktat to accelerate rupee settlements for international trade

In a step to promote international trade in Indian Rupees (INR), the Reserve Bank of India (RBI) has announced that Authorised Dealer (AD) banks no longer need permission from the RBI before opening Special Rupee Vostro Accounts (SRVAs) for foreign banks. This move aims to speed up the opening and use of these accounts, helping facilitate rupee-based trade settlements.
https://www.financialexpress.com/business/banking-finance-indianbspdefies-trumps-dollar-diktat-tonbspacceleratenbsprupee-settlements-for-international-trade-3943094/

Trump's 50% tariffs forcing Indian banks to scrutinise exporters' loans

Indian banks are increasing scrutiny of new loan applications from exporters by asking about exposure to the American market and contingency plans for coping with US President Donald Trump's steep tariffs, according to people familiar with the matter. Bloomberg News spoke to officials at five large Indian lenders who said they're assessing the financial ramifications of the punitive levies on their clients, especially those in the export-dependent textile, gem and jewelery sectors. They all spoke on the condition of anonymity, as the information is not public.
https://www.business-standard.com/economy/news/trump-s-50-tariffs-forcing-indian-banks-to-scrutinise-exporters-loans-125081100926_1.html

SEBI mulls single window gateway for low risk foreign investors

Markets regulator SEBI has proposed introducing a single window access for low risk foreign investors seeking to participate in the Indian securities market, a move aimed at simplifying compliance and enhancing the country's attractiveness as an investment destination. The new framework -- Single Window Automatic & Generalised Access for Trusted Foreign Investors (SWAGAT-FI), if implemented, would provide easier investment access to low risk foreign investors, enable a unified registration process across multiple investment routes and reduce repeated compliance and documentation for such entities, SEBI said in its consultation paper.
https://www.thehindubusinessline.com/markets/sebi-mulls-single-window-gateway-for-low-risk-foreign-investors/article69919399.ece

India's mutual fund industry sees record inflows in July: Equity and debt schemes thrive

Indian mutual funds experienced a successful July. Equity and debt schemes saw significant investments. Equity funds reached a record high. SIP collections also hit a new peak. Debt funds witnessed a surge in flows. The industry's AUM increased. Sectoral and thematic funds attracted substantial investments. Liquid and money market funds also saw considerable inflows.
https://economictimes.indiatimes.com/mf/analysis/indias-mutual-fund-industry-sees-record-inflows-in-july-equity-and-debt-schemes-thrive/articleshow/123247153.cms

Industry

MMDR Bill proposes mine expansion, relief on critical mineral charges

The Union government on Monday introduced the Mines and Minerals (Development and Regulation) Amendment Bill, 2025 in the Lok Sabha, with provisions aimed at boosting domestic mining output. Key changes include easier expansion into contiguous areas for deep-seated minerals and exemption from additional charges for critical and strategic minerals when found within an existing lease. Under the proposed amendments, holders of mining leases for deep-seated minerals will be allowed a one-time expansion of their lease area by up to 10 per cent to cover contiguous zones that would otherwise be uneconomical to mine separately.

https://www.business-standard.com/economy/news/mmdr-bill-to-ease-mining-expansion-payment-relief-for-critical-minerals-125081101672_1.html

Lok Sabha passes National Sports Governance Bill ahead of India's Olympics bid

The National Sports Governance Bill was passed by the Lok Sabha on Monday at a time when India is planning to make a bid to host the 2036 Olympics. Sports Minister Mansukh Mandaviya termed it as the single biggest reform for Indian sports since Independence, and said it will ensure development of the Indian sports ecosystem on par with international standards. The Bill aims to strengthen governance at all recognised national sports bodies. BCCI, too, will come under the ambit of the Bill, but RTI-related provisions will not be applicable on the cricket board.
https://www.thehindubusinessline.com/news/sports/lok-sabha-passes-national-sports-governance-bill-ahead-of-indias-olympics-bid/article69920920.ece

$300 billion climate finance target by 2035 is insufficient: Centre

The government has expressed its disappointment with the outcome of COP-29 at Baku, saying the new global climate finance target of $ 300 billion annually by 2035 is "substantially insufficient" to meet the financing needs of developing nations. Responding to a question in the Lok Sabha, Minister of State for Environment Kirti Vardhan Singh said that the New Collective Quantified Goal on climate finance "does not address the needs and priorities of developing countries" and is "incompatible with the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) and Equity".
https://www.business-standard.com/india-news/300-billion-climate-finance-target-by-2035-is-insufficient-centre-125081101705_1.html

FMCG companies betting big on premium products amid higher traction from aspirational consumers

FMCG companies are betting big on the premium products segment with demand being fuelled by aspirational Indian consumers. Consumer goods companies are witnessing growing salience from premium products, which are becoming more accessible through new-age channels like quick commerce. For Nestle India, premium products account for about 15 per cent of sales and the packaged food major is sharpening its focus to tap into what it believes is a ₹7,500-crore opportunity across categories. The company has said that this demand is being driven by evolving needs and preferences of consumers, who are willing to pay for quality experiences and better nutrition.
https://www.thehindubusinessline.com/economy/fmcg-companies-betting-big-on-premium-products-amid-higher-traction-from-aspirational-consumers/article69920573.ece

Tractor sales decline month-on-month in July on seasonality

Tractor sales declined by nearly 40 per cent in July to 72,797 units as against 1,21,613 in June. However, the July 2025 number was up by nearly 8 per cent when compared with 67,952 reported in July of 2024, according to Tractor and Mechanisation Association data. Tractor sales follow a cyclical pattern, peaking in June, post harvest in May, as farmers prepare for the next sowing cycle. After a slow July, sales rebound from August onwards, with the festive season typically witnessing the highest sales, said an official.
https://www.thehindubusinessline.com/economy/tractor-sales-decline-mom-in-july-on-seasonality/article69919639.ece

Defense Ministry greenlights Rs 30,000 crore deal to procure long-range UAV drones: Report

The Indian Defense Ministry has approved a Rs 30,000 crore deal to procure indigenously manufactured long-range UAV drones. The deal was approved by the Defence Acquisition Council last week for procurement of 87 medium altitude long endurance drones that will be made by two separate manufacturers. According to a Economic Times report, the order will be split between two lowest bidders (in a 64:36) ratio. The armed forces are expected to issue an expression of interest for Indian companies to participate in the bidding process in the coming weeks.
https://www.financialexpress.com/business/industry-defense-ministry-greenlights-rs-30000-crore-deal-to-procure-long-range-uav-drones-report-3943702/

Indian auto component makers have huge export opportunities in markets of Brazil, Colombia, Poland, Africa: Report

A report suggests Indian auto component makers can boost exports. The independent aftermarket segment offers big potential. Brazil, Indonesia, and Colombia are key markets. Africa also presents opportunities due to demand for lower-priced parts. The UAE serves as a trade gateway. Indian exporters can leverage cost advantages. They can strengthen their global presence in high-growth markets.
https://economictimes.indiatimes.com/industry/auto/auto-news/indian-auto-component-makers-have-huge-export-opportunities-in-markets-of-brazil-colombia-poland-africa-report/articleshow/123227307.cms

Agriculture

Centre slashes FCI share of broken rice to boost ethanol production

Beginning this kharif marketing season in October, millers in five states will be required to deliver rice with no more than 10 per cent broken grains, compared to the current Food Corporation of India (FCI) norm of 25 per cent, for procurement under the public distribution system -- a move that will free 15 per cent broken rice for ethanol production. The announcement was made by Sanjeev Chopra, secretary in the Department of Food and Public Distribution, Ministry of Consumer Affairs, on Monday at the fourth Siam International Conference on World Biofuel Day.
https://www.business-standard.com/economy/news/broken-rice-ethanol-feedstock-supply-roadmap-beyond-e20-125081101521_1.html

OTAI expresses concern over 'no palm oil' campaign

The Oil Technologists' Association of India (OTAI) has said that the "no palm oil" marketing campaign by some of the companies is misleading the public and weakening national efforts towards food security. In a media statement, Rajeev Churi, National President of the OTAI, said these campaigns, which position palm oil as inherently unhealthy, are not supported by scientific evidence. Rather, they appear to be strategies aimed at gaining market differentiation.
https://www.thehindubusinessline.com/economy/agri-business/otai-expresses-concern-over-no-palm-oil-campaign/article69919796.ece

Maize and millets may gain this kharif, but soyabean could lose ground

The area under maize (corn) and millets is likely to increase this kharif season, while the coverage of soyabeans could be lower, based on sales and crop inputs, industry experts have said. "Only the last 5-10 per cent of the sowing remains to be completed in the country. Maybe, planting of rice is continuing in Chhattisgarh, Rajasthan and some parts of South. If you go crop by crop, there could be some fluctuations," said Satyender Singh, Chief Executive Officer-Seeds, CCPL. While sales of seeds have been completed, crop inputs are still being purchased by farmers.
https://www.thehindubusinessline.com/economy/agri-business/maize-and-millets-may-gain-this-kharif-but-soyabean-could-lose-ground/article69917711.ece

Infrastructure

US tariffs threaten to derail India's affordable housing market recovery

The US's recent 50 per cent tariff on Indian exports will have a trickledown effect on India's affordable housing, potentially derailing demand as well as supply in this segment, according to experts. Pointing to worker incomes and jobs in micro, small and medium enterprises (MSMEs), and small and medium enterprises (SMEs) that typically make up majority of the customer base of affordable housing, would take a hit in the near terms due to the tariff change, further crippling India's affordable housing sector, already reeling from the impact of the Covid-19 pandemic.
https://www.business-standard.com/economy/news/us-tariffs-india-affordable-housing-sector-impact-125081101202_1.html

Energy

India's oil import bill may take a hit of over $11 bn as Middle Eastern grades become costlier

The impact of EU sanctions and US President Donald Trump's continuous targeting of India-Russian energy tries has started to pinch refiners as prices of crude oil grades in the Middle East are moving upwards. Sources said Indian

refiners, particularly State-run, are watering down spot purchases of Russian crude oil. They are also replacing these cargoes majorly with grades from their traditional suppliers, the Middle East. According to global real-time data and analytics provider Kpler, Middle Eastern grades are currently trading at a premium (higher prices).
https://www.thehindubusinessline.com/markets/commodities/indias-oil-import-bill-may-take-over-11-bn-hit-as-middle-eastern-grades-become-costlier/article69920496.ece

Telecom

Indian telecom companies oppose DoT plan on direct network allocation

Indian telcos have opposed a proposal from the department of telecommunications (DoT) on allotting airwaves for private 5G networks through direct allocation. According to them, such a move would be detrimental to national security and result in exclusion of revenue that would have come from auctioning these airwaves. Reiterating their views on the matter, the carriers have argued that deployment of private 5G networks independently would be costlier for companies.
https://www.business-standard.com/industry/news/telcos-oppose-dot-direct-spectrum-allocation-private-5g-networks-125081101634_1.html

India pushes private telcos to adopt local gear amid rising geopolitical uncertainties

India is encouraging private telecom operators to increase their use of locally-made equipment due to geopolitical concerns. This push could negatively impact foreign telecom gear makers like Cisco, Nokia, and Ericsson, while benefiting local manufacturers such as Tejas Networks and HFCL.
https://economictimes.indiatimes.com/industry/telecom/telecom-news/india-pushes-private-telcos-to-adopt-local-gear-amid-rising-geopolitical-uncertainties/articleshow/123244250.cms

States

Uttar Pradesh govt allocates ₹6,000 crore for greenfield townships

The Uttar Pradesh government has allocated over ₹6,000 crore for greenfield township projects across the state. Around 18 township projects are set to launch in Tier-II and III cities, including Agra, Aligarh, Ayodhya, Banda, Bulandshahr, Rampur, Meerut, Kanpur, Jhansi, Moradabad, Mathura, Firozabad and Saharanpur. “These townships will be developed under the UP Township Policy 2023 to provide affordable housing to the people in various districts,” a senior official said.
https://www.business-standard.com/economy/news/uttar-pradesh-govt-allocates-6-000-crore-for-greenfield-townships-125081101657_1.html

AP Govt to set up logistics corporation for unified cargo services

Andhra Pradesh Chief Minister N Chandrababu Naidu has on Monday directed the officials to establish a logistics corporation to facilitate cargo movement. The proposed corporation should be the nodal agency for shipment of cargo through the ports, airports, inland waterways, road and railways, the Chief Minister said in a review meeting on infrastructural facilities in Amaravati. Plans were currently underway to set up 20 new ports and airports in the State, Naidu said, satellite townships should be developed around ports and airports which would act as hubs of economic activity.
https://www.thehindubusinessline.com/economy/logistics/ap-govt-to-set-up-logistics-corporation-for-unified-cargo-services/article69920898.ece

Healthcare

Chemists seek ban on quick commerce sale of prescription drugs

The All India Organisation of Chemists and Druggists (AIOCD) has appealed to Amit Shah. They want immediate action against e-pharmacies and quick commerce platforms. These platforms are selling prescription medicines online. AIOCD says this poses a public health risk. They are concerned about drug abuse, especially among young people. AIOCD also highlights the issue of ghost prescriptions.

https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/chemists-seek-ban-on-quick-commerce-sale-of-prescription-drugs/articleshow/123243740.cms

External

Confident of 6th round of India-US trade talks: Officials to House panel

Top government officials on Monday told a parliamentary panel that India's relations with the US were multifaceted, and not restricted to trade issues. They were, however, confident that the sixth round of negotiations on the India-US Bilateral Trade Agreement (BTA) would take place as a US trade team is scheduled to visit India on August 25 for talks. To questions by panel members on India's defence ties, the officials rejected recent reports that have claimed that New Delhi has halted its purchases of defence equipment from the US. They said the government-to-government engagement between the two countries on all other issues remains normal, but conceded to rough spots over trade that need ironing out.
https://www.business-standard.com/india-news/india-us-bta-sixth-round-trade-talks-parliamentary-panel-briefing-125081101799_1.html

Trump tariffs to impact 55% of total merchandise exports to US: MoS Finance

About 55 per cent of India's total merchandise exports to the US will be subject to 25 per cent reciprocal tariff, Minister of State for Finance Ministry Pankaj Chaudhary said on Monday. In a written reply to a question in the Lok Sabha, Chaudhary said the government attaches utmost importance to protecting and promoting welfare of farmers, entrepreneurs, exporters, MSMEs, and will take all necessary steps to secure our national interest.
"A combination of different factors, such as product differentiation, demand, quality, and contractual arrangements, would determine the impact on India's exports," he said.
https://www.business-standard.com/india-news/india-estimates-about-55-of-goods-exported-to-us-may-face-trump-s-tariffs-125081100852_1.html

Govt plans credit guarantees for small firms, exporters hit by US tariffs

India is planning to provide credit guarantees for loans overdue up to 90 days to small businesses and exporters, amid higher tariffs imposed by the U.S., two government sources told Reuters. The federal finance ministry has proposed to provide 10-15 per cent credit guarantees to banks for advancing loans to stressed small businesses, with turnover up to ₹500 crore, that fall under the Reserve Bank of India's (RBI) so-called special mention accounts (SMA), the sources said.
https://www.business-standard.com/finance/news/govt-plans-credit-guarantees-for-small-firms-exporters-hit-by-us-tariffs-125081101219_1.html

Govt asks seafood exporters to explore alternative mkts amid US tariff hike

The government on Monday asked seafood exporters to "bravely face" the current challenge of high US tariffs and explore alternative markets to ship shrimps and other fish varieties. Addressing a press conference, Union Minister for Fisheries, Animal Husbandry and Dairying Rajiv Ranjan Singh said alternative markets are available for India's seafood exports. "The EU, Japan, South Korea, UK, Russia, Australia, West Asia, South East Asia and many countries are available for export of Indian seafoods," he said.
https://www.business-standard.com/industry/news/govt-asks-seafood-exporters-to-explore-alternative-mkts-amid-us-tariff-hike-125081101067_1.html

Govt targets 50 countries including West Asia, Africa to boost exports

The government is working on measures to boost India's exports, including targeting 50 countries in regions such as the Middle East and Africa, amid the heavy tariffs imposed by the US on Indian goods, an official said on Monday. These 50 countries account for about 90 per cent of India's exports. The official said that the commerce ministry is working on four pillars including export diversification, import substitution, and export competitiveness
"Detailed analysis is underway on these pillars. The ministry is working product by product," the official said.
https://www.business-standard.com/india-news/govt-targets-50-countries-including-west-asia-africa-to-boost-exports-125081101060_1.html

India bans imports of more jute products from Bangladesh via land routes

Amid strained relations, India has expanded its ban on jute product imports from Bangladesh via land routes, now including woven fabrics, twine, and sacks. This restriction, following earlier curbs in June, allows imports only through Nhava Sheva Seaport. These measures, alongside previous restrictions on garments and transhipment, reflect growing tensions and concerns over trade imbalances and political issues.

https://economictimes.indiatimes.com/news/economy/foreign-trade/india-bans-imports-of-more-jute-products-from-bangladesh-via-land-routes/articleshow/123242134.cms