

August 18, 2025 – Monday

Economy

Govt seeks to revamp entire tax system with GST reform, Income-Tax Bill

The central government's proposal for a structural overhaul of the goods and services tax (GST), along with the Income-Tax Bill recently passed by Parliament, will lead to a complete revamp of both the direct and indirect tax system in the country, said a senior government official. "This is a complete revamp of the direct and indirect tax system. It will take the GST Council at least two meetings to go through all the item-wise changes in slabs. The inclusion of petrol and diesel under GST has been deferred for the time being in view of the prevailing energy sector uncertainties. It may be taken up in the next round of GST reforms," the official said, requesting anonymity.
https://www.business-standard.com/economy/news/govt-seeks-to-revamp-entire-tax-system-with-gst-reform-income-tax-bill-125081700614_1.html

India's current account deficit likely to widen to 1.2% of GDP in FY26: Report

India's current account deficit is expected to nearly double in the FY26, rising to 1.2 per cent of GDP from 0.6 per cent in FY25, Union Bank of India said in a report. The estimate carries an upward risk, driven by evolving trade dynamics and global commodity price movements. "We see an upward risk to our estimate for the current account (C/A) deficit for FY26 GDP. We expect higher; almost double versus last year of widening in C/A deficit in FY26 to 1.2 per cent in GDP vis-a-vis an 0.6 per cent in FY25," the report added.
https://www.thehindubusinessline.com/economy/indias-current-account-deficit-likely-to-widen-to-12-of-gdp-in-fy26-report/article69943454.ece

STEM scheme for girls expands to 80,000 beneficiaries but uneven reach persist

Launched in 2019-20, the Centre's Vigyan Jyoti programme has benefited over 80,000 meritorious girls in Science, Technology, Engineering and Mathematics (STEM), yet remains out of reach for many in places where education for girls remains a major challenge. While participation has grown from 17,866 in 2022-23 to 29,443 in 2024-25, stark state-wise disparities and opaque budget provisions and expenditure underline the need for grassroots social change to make the scheme effective.
https://www.thehindubusinessline.com/data-stories/stem-scheme-for-girls-expands-to-80000-beneficiaries-but-uneven-reach-persist/article69943730.ece

Govt confident of meeting fiscal deficit target despite planned tax cuts

India is confident of meeting its fiscal deficit target of 4.4 per cent for the current fiscal year, according to a government source with knowledge of the matter, despite its plans to cut consumption tax later this year. In the biggest tax overhaul since 2017, Prime Minister Narendra Modi on Saturday announced sweeping changes to the complex goods and services tax (GST) regime which will make daily essentials and electronics cheaper. "India's federal and state governments have options to offset any loss of revenue due to lowering of rates," the government source said without providing further details.
https://www.business-standard.com/economy/news/india-confident-of-meeting-fiscal-deficit-target-despite-planned-tax-cuts-125081700632_1.html

Finance

FinMin to meet CEOs of PSBs on August 20 to review Q1 performance

The finance ministry has called a meeting of heads of public sector banks (PSBs) on Wednesday to review the first-quarter financial performance. The meeting is scheduled to be chaired by Financial Services Secretary M Nagaraju. The review meeting on August 20 with public sector banks to assess the performance of the first quarter of 2025-26, according to sources. Led by State Bank of India (SBI), public sector banks, cumulatively, logged a record profit of Rs 44,218 crore in the first quarter of the current fiscal, with an 11 per cent year-on-year growth.
https://www.business-standard.com/finance/news/finmin-to-meet-ceos-of-state-owned-banks-to-review-q1-performance-on-aug-20-125081700343_1.html

State-owned banks tweak spreads on home loans to protect margins

While Banks' are faced with a Hobson' choice when it comes to transmitting repo rate cuts to home loan borrowers, they seem be offsetting its impact on margins by upping the spread. Banks' margins are coming under pressure as in the current soft interest rate, loans pegged to an external benchmark such as repo rate get repriced immediately, while deposit rates get re-priced with a lag. The spreads are being re-calibrated upwards by public sector banks (PSBs) as they were aggressive in pricing their home loans vis-a-vis private sector banks (PVBs).
https://www.thehindubusinessline.com/money-and-banking/state-owned-banks-tweak-spreads-on-home-loans-to-protect-margins/article69944469.ece

NBFCs tap $3.67 billion in overseas syndicated loans, more than double 2024 levels

Indian non-bank lenders significantly increased overseas syndicated loan borrowing. They raised $3.67 billion in 2025, more than double 2024's $1.64 billion. Cheaper pricing and favorable tax policies drove this surge. More overseas banks are now willing to lend to Indian companies. HSBC's Chetan Joshi notes better pricing and diversification of funding sources as key factors.
https://economictimes.indiatimes.com/industry/banking/finance/nbfcs-tap-3-67-billion-in-overseas-syndicated-loans-more-than-double-2024-levels/articleshow/123351172.cms

B2B fintechs turn to M&As to expand business lines and enter retail market

Mergers and acquisitions are emerging as the next big play for business-to-business (B2B) fintechs, as they look to open new revenue streams and gain a foothold in the retail market. B2B fintechs are increasingly turning to the consumer side of the payments market, using third-party UPI applications (TPAPs) as entry points. The move is driven by consumer acquisition cost. Unlike market leaders and challenger apps, which spend heavily on customer acquisition and build scale, B2B fintech players are looking to repurpose their existing base for their TPAP arms.
https://www.business-standard.com/industry/news/b2b-fintechs-eye-m-as-to-add-new-business-lines-125081700570_1.html

Sebi plans review of MTF margin rules to streamline risk management

Markets regulator Sebi is looking to review the margin framework under margin trading funding (MTF) in a bid to streamline risk management at clearing corporations. In its annual report for 2024-25, Sebi said a "comprehensive review exercise is being undertaken with respect to the currently applicable margining framework." Alongside this, a review of MTF and the scrips eligible under it is also under consideration.
https://www.business-standard.com/markets/news/sebi-plans-review-of-mtf-margin-rules-to-streamline-risk-management-125081700186_1.html

ARCs triple retail SR issuance in Q1 even as corporate demand weakens

Asset reconstruction companies significantly increased their acquisition of retail loan portfolios in the first quarter of FY26, with security receipts issuance rising to ₹1,713 crore. This surge in retail SR issuance partially offset a decline in corporate SR issuance, which fell to ₹2,675 crore. Overall SR issuance grew, but redemptions outpaced it, leading to a contraction in outstanding SRs.
https://economictimes.indiatimes.com/industry/banking/finance/arcs-triple-retail-sr-issuance-in-q1-even-as-corporate-demand-weakens/articleshow/123351171.cms

Industry

Planning to make India a global steel hub; new export markets tapped: HD Kumaraswamy

India's steel sector is navigating global headwinds with resilience and purpose, said Union Minister for Steel, HD Kumaraswamy. The plan now is to position the country as a global steel hub, with a focus on sustainable green-steel making. Following continued oversupply and weak export market sentiments, India swiftly imposed safeguard duties and followed up with strict quality control measures to protect the domestic industry.
https://www.thehindubusinessline.com/economy/planning-to-make-india-a-global-steel-hub-new-export-markets-tapped-hd-kumaraswamy/article69943763.ece

Start-ups proliferate in emergency medical services, q-comm model growth driver

Emergency medical service start-ups in India are transforming healthcare with faster response times, 5G-enabled ambulances, and corporate tie-ups. From Blinkit's 10-minute ambulance promise to RED Health and Medulance partnerships, EMS is emerging as a $3.5 billion growth driver.
https://www.financialexpress.com/business/start-ups/start-ups-proliferate-in-emergency-medical-services-q-comm-model-growth-driver/3948960/

Early monsoon, intense competition dampen paint companies' growth in Q1

The early arrival of the monsoon this year and intense competition from new market entrants with aggressive pricing adversely impacted the June quarter earnings of leading paint makers. However, the top four listed paint makers, including Asian Paints, Berger Paints, Kansai Nerolac Paints and Akzo Nobel India, reported some sequential improvement, especially from the urban market, along with improvement in sales realisation due to price rise.
https://www.business-standard.com/industry/news/early-monsoon-intense-competition-dampen-paint-companies-growth-in-q1-125081700184_1.html

Air conditioner, TV makers upbeat about sales amid signs of GST cuts

Consumer durables makers are happy after the expectation that goods and services tax (GST) on air conditioners and television panels above 32 inches may be reduced to 18 per cent, as this could help revive the sector. According to news reports, the Centre is looking to rationalise GST rates soon. Currently, these items fall under the 28 per cent GST bracket.
https://www.business-standard.com/industry/news/ac-tv-makers-await-gst-cut-to-18-percent-to-boost-demand-125081700584_1.html

India's tourism sector set to cross $59 billion by 2028: Capitalmind PMS

India's tourism sector is witnessing a rapid growth surge, with projections indicating the industry will generate over ₹5,12,356 crore ($59 billion) by 2028, according to a new report released by Capitalmind PMS. The report cites rising disposable incomes, enhanced connectivity, and infrastructure improvements as key growth enablers. Domestic tourism is expected to double from 2.5 billion visits in 2024 to 5.2 billion by 2030, growing at a CAGR of 13.4 per cent.
https://www.thehindubusinessline.com/economy/indias-tourism-sector-set-to-cross-59-billion-by-2028-capitalmind-pms/article69943116.ece

GCCs fuel boom in India's reskilling market, drawing international interest

India's reskilling market is witnessing accelerated growth, driven by the rapid expansion of Global Capability Centres (GCCs) across the country. As demand for advanced digital and technical skills rises due to the emergence of GCCs, international players are increasingly focusing on Indian professional markets, top executives in reskilling and experts said, adding that investing in reskilling programmes has become a central part of the strategies of many global firms to keep their Indian teams skilled to global standards.
https://www.thehindubusinessline.com/info-tech/gccs-fuel-boom-in-indias-reskilling-market-drawing-international-interest/article69943324.ece

Indian IT seeing rising share of revenue from manufacturing, but geopolitical threats pose risk

As BFSI and healthcare sectors tighten digital spends amid a larger slowdown, the share of revenue from manufacturing and allied sectors has been increasing for the Indian IT services players. Three of the five top tier Indian IT services players have seen an increase in share of revenue from the manufacturing vertical over the past 3 fiscals, data from company's annual reports. However, as supply chain strains and geopolitical and trade wars dominate the global landscape, the revenue from manufacturing clients is set to see some dampening, experts say.
https://www.thehindubusinessline.com/info-tech/indian-it-seeing-rising-share-of-revenue-from-manufacturing-but-geopolitical-threats-pose-risk/article69936496.ece

Experts have mixed opinions about impact of US tariffs on job market

US tariffs on Indian exports spark job concerns. Experts warn of potential job losses in textiles, gems, and other sectors. Some believe India's domestic demand and trade diversification will cushion the blow. Negotiations are expected, and India may redirect trade. Uncertainty may persist, leading to cost containment and hiring freezes. IT and GCC sectors might also face indirect effects.
https://economictimes.indiatimes.com/news/economy/indicators/experts-have-mixed-opinions-about-impact-of-us-tariffs-on-job-market/articleshow/123345430.cms

EVs set to dominate 2025 festive launches, rare-earth crunch a concern

With festival season around the corner, carmakers are gearing up for new launches during the August-November window, mostly in the electric vehicle (EV) category. Alongside e-Vitara, Tata Sierra EV, and VinFast SUVs, luxury carmakers will unveil the BMW iX 2025, Audi Q6 e-tron, and Mercedes-Benz CLA Electric. Mahindra's Vision S and SXT concepts are progressing toward production. The two-wheeler segment will see new scooters and premium electric motorcycles, though mass-market e-motorcycles remain at least a year away.
https://www.business-standard.com/industry/auto/ev-festive-launches-2025-rare-earth-shortage-may-delay-rollouts-125081700256_1.html

Siam makes a case for N1 commercial vehicles' inclusion in PM E-DRIVE

The Society of Indian Automobile Manufacturers (Siam) has urged the Ministry of Heavy Industries (MHI) to bring N1 category commercial vehicles (CVs) — those that weigh less than 3.5 tonnes — under the PM E-Drive scheme for electric trucks. Their inclusion is vital for reducing carbon emissions, strengthening energy security, improving operational cost efficiency, and supporting small businesses, it said. Siam, which represents all major automobile makers in India, had written a letter to the MHI on April 17, 2025, in this regard, Business Standard has learnt.
https://www.business-standard.com/industry/auto/include-n1-commercial-vehicles-in-pm-e-drive-scheme-siam-to-govt-125081700455_1.html

Agriculture

70 million farmers now have digital IDs linked to land records

To give a boost to digital infrastructure, over 70 million unique farmers IDs linked to land records have been generated under the Digital Agriculture Mission, according to a senior official. The agriculture ministry is aiming to provide 9 million such IDs, referred to as Kisan Pehchaan Patra, containing the details of the farmers' land holding, crops grown in the field and other details, by the end of current fiscal.
https://www.financialexpress.com/policy/economy-70-million-farmers-now-have-digital-ids-linked-to-land-records-3949084/

India's cotton imports for crop year 2024-25 surge to record 39 lakh bales on lower global prices

India's cotton imports will be a record 39 lakh bales of 170 kg each for the current 2024-25 crop year ending September, more than double the previous year's 15.20 lakh bales. Lower international prices coupled with higher demand from mills for contaminant-free cotton has resulted in a surge in imports, said Atul Ganatra, President, Cotton Association of India (CAI).
https://www.thehindubusinessline.com/economy/agri-business/indias-cotton-imports-for-crop-year-2024-25-surge-to-record-39-lakh-bales-on-lower-global-prices/article69943295.ece

Govt policy must reward sustainability for India's small farmers: Syngenta

Government policies must incentivise sustainable farming to support India's smallholder farmers, as they face intensifying climate challenges like erratic monsoons, droughts, and floods, according to Swiss crop protection firm Syngenta Group Chief Sustainability Officer Petra Laux. Smallholder farmers account for 80 per cent of the agricultural sector. With agriculture contributing 25 per cent of global greenhouse gas emissions, but receiving only 5 per cent of climate transition funding and subsidies rewarding climate-smart practices are critical to drive change, Laux said.
https://www.business-standard.com/industry/agriculture/govt-policy-must-reward-sustainability-for-india-s-small-farmers-syngenta-125081700434_1.html

Infrastructure

Logistics cost to drop to single digit by 2026: Nitin Gadkari

Union Minister of Road Transport and Highways, Nitin Gadkari, on Sunday affirmed that the country's logistics cost will come down to single-digit by the end of 2026. The logistics cost of India is 14-16 per cent, China's is 8 per cent, and Europe and America have 12 per cent each, Gadkari said, addressing the event in the national capital that marked the inauguration of two major National Highway projects by Prime Minister Narendra Modi.
https://www.thehindubusinessline.com/economy/logistics/logistics-cost-to-drop-to-single-digit-by-2026-nitin-gadkari/article69943579.ece

Energy

Govt likely to set up corpus for strategic deepwater exploration

The government is planning to set up a corpus under the National Deepwater Exploration Mission to support strategic oil and gas exploration efforts in deepwater and ultra-deepwater areas. The exact contours of the plan are yet to be finalised, including the size of the corpus and its sources. "The Prime Minister has emphasised upon the National Deepwater Exploration Mission where a corpus is identified by the Government of India for a focused and concerted strategy-driven exploration in deepwater and ultra-deepwater areas and Oil India Ltd (OIL) remains committed to this clarion call," OIL Chairman and Managing Director Ranjit Rath said in an address to employees.
https://www.business-standard.com/companies/people/national-deepwater-mission-govt-corpus-strategic-oil-gas-exploration-125081700465_1.html

India's rivals China, Turkey seek cheaper Urals, capping oil price rise

China and Turkey are boosting purchases of discounted Russian oil, offered at better rates to them for deliveries in September, October and November. This comes after Trump cut off India's access to the crude by the end of the month, industry officials said, and market data showed. China has increased purchases of Russian Urals crude oil sixfold compared to the first half of this year while India has had to reduce it to nil after Trump slapped secondary tariffs of 25 per cent from August 27 on most Indian exports as penalty for using Russian oil, according to industry data.
https://www.business-standard.com/economy/news/china-turkey-eye-cheaper-russian-oil-as-india-pauses-urals-imports-125081700720_1.html

Telecom

Draft telecom policy pushes for indigenous telecom gear

The draft National Telecom Policy 2025 pushes for indigenous telecom gear, 5G enterprise spectrum debates, and ambitious connectivity goals. Industry voices highlight security, AGR reforms, and fiber deployment as key challenges to India's telecom roadmap.
https://www.financialexpress.com/business/industry-draft-telecom-policy-pushes-for-indigenous-telecom-gear-3949178/

States

Goa tourism department taps new markets, plans incentives for charter flights

Goa tourism department is tapping new markets and is preparing a policy to incentivise international charter flights to the state. This comes amid a drop in traffic from Russia which has been a key source market for Goa. “We are working on a policy to incentivise international charter flights. Incentives would be given to charter companies or travel agents based on the number of passengers flown by them. We are planning to launch this policy soon. From next year onwards we hope it will significantly boost tourist arrivals into Goa,” said Kedar Naik, tourism director, Goa.
https://www.thehindubusinessline.com/economy/logistics/goa-tourism-department-taps-new-markets-plans-incentives-for-charter-flights/article69943895.ece

Tamil Nadu clears design scheme, launches Centres of Excellence under TNSM

As part of the Rs 500-crore Tamil Nadu Semiconductor Mission 2030 (TNSM 2030), announced in the state Budget 2025, the government has sanctioned the Semiconductor Design Promotion Scheme. The initiative will provide targeted subsidies and prototyping grants to fabless design firms. Complementing the scheme is the establishment of Centres of Excellence (CoE) under the Tamil Nadu Industrial Development Corporation (TIDCO), through public-private partnerships. These centres will anchor research, testing and training, helping the state emerge as a hub for design-led innovation in the semiconductor sector.
https://www.business-standard.com/industry/news/tamil-nadu-semiconductor-mission-2030-scheme-centres-of-excellence-125081800139_1.html

Infra push to boost realty sector in outer Delhi

The opening of the Dwarka Expressway and Urban Extension Road (UER) II is set to provide a major boost to peripheral areas of Delhi as the main cities are becoming unaffordable to home buyers, according to property developers. They said areas such as Sonipat, Panipat, and Kundli stand to gain from UER, which will provide easier access to the Delhi airport. "Dwarka Expressway has not only significantly redefined connectivity between Delhi and Gurugram but has also provided a major push to real estate growth in the region," said Pradeep Aggarwal, founder and chairman, Signature Global (India). "The inauguration of the Urban Extension Road (UER) II, also known as Delhi's third Ring Road, complementing the fully operational 29-km Dwarka Expressway, further elevates its strategic importance."
https://economictimes.indiatimes.com/industry/services/property-/-cstruction/infra-push-to-boost-realty-sector-in-outer-delhi/articleshow/123350956.cms

External

India recalibrates strategy on US trade deal amid geopolitical tensions

India is resetting its expectations after talks for an interim trade deal with the US hit a pause amid geopolitical complexities and American President Donald Trump’s announcement of additional tariffs in response to New Delhi’s imports of Russian oil. In July, negotiators from India and the US had discussed the visit of the American team for the sixth round of bilateral trade negotiations during the week starting August 25. That visit has now been called off. However, New Delhi remains cautiously optimistic that a breakthrough on the first tranche of the trade deal could happen by the fall deadline of October-November, government officials said.
https://www.business-standard.com/economy/news/india-recalibrates-trade-deal-hopes-with-us-amid-tariff-oil-tensions-125081700445_1.html

Focus on 30 export markets to intensify amid impending slump in shipments to US

India expands export focus to 50 key markets covering 90% of shipments, adding 30 new destinations like Kenya, Spain, South Africa and Mexico. With US exports facing tariff pressure, govt boosts diversification, FTAs, and launches Export Promotion Mission for 2025–2031.
https://www.financialexpress.com/policy/economy-focus-on-30-export-markets-to-intensify-amid-impending-slump-in-shipments-to-us-3948935/

India, South Korea resolve to set 'new industrial ambition' in high-tech sectors

India and South Korea on Saturday resolved to expand their strategic partnership by setting new "industrial ambition" in the areas of semiconductor, defence, clean energy, and artificial intelligence. Ways to ramp up the

overall bilateral cooperation figured prominently in talks between External Affairs Minister S Jaishankar and his visiting South Korean counterpart, Cho Hyun. The Ministry of External Affairs (MEA) said Jaishankar and Hyun agreed to set new industrial ambitions, especially in high-tech sectors such as AI,semiconductors, clean energy, shipbuilding, and the defence industry.
https://www.thehindubusinessline.com/economy/india-south-korea-resolve-to-set-new-industrial-ambition-in-high-tech-sectors/article69943145.ece

India should join RCEP, focus on East Asia for GDP growth: Jeffrey Sachs

With the United States imposing a 50 per cent tariff on Indian goods, American economist Jeffrey Sachs has pitched for India joining Regional Comprehensive Economic Partnership (RCEP), saying India should be part of it and "that would be a very dynamic way to grow for years to come." In an interview with ANI, Sachs said that India could target 7 per cent GDP growth in the coming decade by focusing on East Asia. "I would recommend that India take a look once again at RCEP. RCEP is the 15 economies, including China, Japan, Korea, ASEAN, Australia, and New Zealand. It should be 16. India should be part of that. And that would be a very dynamic way to grow for years to come," he said.
https://www.business-standard.com/economy/news/india-should-join-rcep-focus-on-east-asia-for-gdp-growth-jeffrey-sachs-125081700038_1.html

DGTR recommends 3-year safeguard duty on steel imports; 12% in Yr 1, 11.5% in Yr 2 and 11% in Yr 3

India's trade remedy body, the Directorate General of Trade Remedies (DGTR), has recommended a three-year, staggered, safeguard duty on imports of hot-rolled flat products of non-alloy and other alloy steel, after finding that the surge in inflows has caused "serious injury" and poses a "grave threat" to the domestic industry. The proposed safeguard duty rates, as mentioned in the final findings report, will be levied at 12 per cent in the first year, 11.5 per cent in the second, and 11 per cent in the third, with a mid-term review clause built-in. This comes on the back of a 12 per cent provisional safeguard duty imposed in April 2025, which runs until November.
https://www.thehindubusinessline.com/economy/dgtr-recommends-3-year-safeguard-duty-on-steel-imports-12-in-yr-1-115-in-yr-2-and-11-in-yr-3/article69943943.ece