

August 26, 2025 – Tuesday

Economy

MoSPI to use e-comm, OTT data for new CPI series

New series of retail inflation data, based on Consumer Price Index (CPI), is set to have multiple data sources including e-commerce platforms such as Amazon and Flipkart and OTT alongside air and train ticketing portals, a senior government official said. The government aims to capture the shifting consumption and shopping preferences of Indian consumers.
https://www.thehindubusinessline.com/economy/mospi-to-use-date-from-e-comm-online-platforms-for-airrail-fare-ott-platforms-beside-others-for-new-cpi-series/article69975557.ece

Fitch affirms India ratings at BBB- with stable outlook on robust growth

Fitch Ratings on Monday affirmed India rating at BBB- with a stable outlook on the back of robust growth and solid external finances. The credit rating agency mentioned that the fiscal metrics are a credit weakness, with high deficits, debt and debt service compared with 'BBB' peers. Lagging structural metrics, including governance indicators and GDP per capita, also constrain the rating, it said. Fitch said that India's economic outlook remains strong relative to peers, even as momentum has moderated in the past two years. It forecasted gross domestic product (GDP) growth of 6.5 per cent in the current financial year ending March 2026 (FY26), unchanged from FY25.
https://www.business-standard.com/economy/news/fitch-affirms-india-rating-bbb-stable-outlook-growth-risks-125082500647_1.html

Finance ministry allows one-time switch to NPS

The finance ministry on Monday allowed central government employees who opted for the Unified Pension Scheme (UPS) to switch back to the National Pension System (NPS) through a one-time, one-way switch facility. According to a finance ministry notification, the option can be exercised any time up to one year before superannuation, or three months before the deemed date of retirement in case of voluntary retirement. "It has been decided that a one-time, one-way switch facility from UPS to NPS shall be made available to all central government employees who have opted for UPS.
https://www.business-standard.com/finance/news/govt-allows-one-time-switch-from-ups-to-nps-125082501275_1.html

Finance

RBI examining measures to expand bank credit towards productive sectors: Guv Malhotra

The Reserve Bank of India (RBI) is examining measures to expand bank credit towards productive sectors and reduce cost of intermediation even as it intends to implement Basel III guidelines for Banks for market, credit and operational risk from April 1, 2027, according to Governor Sanjay Malhotra. With regard to this, credit risk and ECL (expected credit loss)-related draft guidelines will be issued soon. The Forms of Business circular will also be finalised soon, Malhotra said at the FICCI-IBA conference.

https://www.thehindubusinessline.com/money-and-banking/rbi-examining-measures-to-expand-bank-credit-towards-productive-sectors-guv-malhotra/article69975681.ece

Corporate funding moving away from banks: FICCI-IBA report

The bank lending mix has changed significantly over the last 14 years, with the share of corporate advances dropping from 58 per cent to 36 per cent, and corporate funding moving away from banks, according to a FICCI-IBA report. The report 'Charting New Frontiers', put together by Boston Consulting Group (BCG), observed that corporate funding has moved towards capital markets and alternate funding avenues (such as private credit, and external commercial borrowing) or structures (such as Alternative Investment Funds and Real Estate Investment Trusts) that offer long-term capital.
https://www.thehindubusinessline.com/money-and-banking/corporate-funding-moving-away-from-banks-ficci-iba-report/article69975882.ece

Rising stress in MSME, vehicle loans worries banks, NBFCs

Stress is rising in micro, small and medium enterprises and vehicle finance. MSME borrowers with multiple loans are increasing. Portfolio at risk is also up for unsecured biz loans. Micro MSME loan defaults are a concern for NBFCs. Smaller SME loans face growing stress. Banks report more high-risk borrowers. Unsecured personal loan defaults are significantly higher than before.
https://economictimes.indiatimes.com/industry/banking/finance/rising-stress-in-msme-vehicle-loans-worries-banks-nbfcs/articleshow/123509886.cms

Sales of listed private NFCs grow at slower pace of 5.5% in Q1 FY26: RBI

Sales of listed private non-financial companies grew at a slower pace of 5.5 per cent in the first quarter of 2025-26 compared to 6.9 per cent in the year-ago period, the Reserve Bank of India said on Monday. The RBI released the data on the performance of the private corporate sector during the first quarter of 2025-26, drawn from abridged quarterly financial results of 3,079 listed private non-financial companies. "Sales of listed private non-financial companies rose by 5.5 per cent during Q1 2025-26 compared to 7.1 per cent growth in the previous quarter (6.9 per cent in Q1 2024-25)," the central bank said.
https://www.business-standard.com/finance/news/sales-of-listed-private-nfcs-grow-at-slower-pace-of-5-5-in-q1-fy26-rbi-125082501053_1.html

UPI goes global: Cross-border transactions grow 20-fold in a year

Cross-border Unified Payments Interface (UPI) transactions are gaining momentum with the real-time payments system expanding globally. These transactions grew more than 20 times to over 755,000 in FY25 from just 37,060 payments in FY24. In the first four months of FY26 alone, it clocked 601,000 transactions, data showed. In FY24, the value of such transactions was recorded at ₹19.7 crore, growing multifold to ₹258.53 crore in FY25. As of July of FY26, the transactions processed on cross-border UPI were recorded at ₹169.29 crore.
https://www.business-standard.com/finance/news/upi-goes-global-cross-border-transactions-grow-20-fold-125082501180_1.html

Draft rules for new I-T Act expected by year-end, says CBDT member

The new rules and forms under the Income-Tax (I-T) Act, 2025, are expected to be released by the end of the year, Ramesh Narain Parbat, member (legislation), Central Board of Direct Taxes (CBDT), said in an interaction with Monika Yadav. He added that efforts are being made to simplify the language and make it more user-friendly for taxpayers, professionals, and officers of the department. The draft rules and forms will be placed before Parliament after the necessary approvals. Parbat also confirmed that the government is on track to implement the new Act from April 1, 2026.
https://www.business-standard.com/economy/news/draft-rules-for-new-i-t-act-expected-by-year-end-125082501154_1.html

Industry

Demand to reinforce steel MSMEs amid rising costs: Crisil SME Tracker

The Indian steel industry's demand is expected to grow 8.5-9.5 per cent in 2025-26 (FY26), exceeding the decadal compound annual growth rate of 7 per cent. While healthy demand from the infrastructure and construction sectors and reduced steel imports will fortify crude steel production, expected to grow 10-12 per cent year-on-year (Y-o-Y), the industry, specifically the mid and small steel manufacturers, may need to brace for rising costs.
https://www.business-standard.com/economy/news/demand-to-reinforce-steel-msmes-amid-rising-costs-crisil-sme-tracker-125082501470_1.html

Durable sales take a hit ahead of GST cut

Consumer durable sales slump ahead of festive season as buyers wait for a GST cut on ACs, TVs, dishwashers and appliances. Retailers see 50–60% drop in queries, with demand expected to revive post-rate cut implementation in late September, ahead of Dussehra-Diwali.
https://www.financialexpress.com/business/industry-durable-sales-take-a-hit-ahead-of-gst-cut-3957245/

India faces copper crunch from energy transition, infra growth: CSEP report

India is at risk of a significant copper shortfall as domestic production struggles to keep pace with rising demand from the country's energy transition, infrastructure expansion, and industrial growth, according to a new report by the Centre for Social and Economic Progress (CSEP). "With global copper demand projected to reach up to 50 million tonnes by 2050, India's import dependence is set to deepen unless domestic production and recycling capacity are urgently strengthened," the report said.
https://www.business-standard.com/industry/news/india-risks-copper-shortfall-amid-rising-demand-energy-transition-report-125082500619_1.html

Electric vehicle spark fires up R&D spending by legacy two-wheeler majors

Fuelled by the electric vehicle (EV) revolution, a sharper technology focus, and an appetite for global reach, Indian legacy two-wheeler giants — Hero MotoCorp, TVS Motor Company, Eicher Motors, and Bajaj Auto — have thrown open the throttle on research and development (R&D) spending. In five years, their outlays have soared, mirroring the turbulence of a market shaken by newer names like Ola Electric, Ather Energy, and Greaves Electric. Market leader Hero MotoCorp and TVS Motor, which has been making waves this year with its iQube EV, have both breached the ₹1,000 crore mark in innovation expenditure.
https://www.business-standard.com/industry/auto/ev-tech-focus-fast-tracks-rd-spend-hero-motocorp-tvs-cross-rs-1000-cr-125082501234_1.html

Domestic two-wheeler segment to see 6-9% volume growth in FY26: Icra

The domestic two-wheeler segment is expected to register a 6-9 per cent year-on-year volume growth in the current fiscal, rating firm Icra said on Monday. The growth is likely to be supported by steady replacement demand, recovery in urban consumption, healthy rural incomes aided by a normal monsoon, and a possible reduction in GST rates, which could provide an additional boost, it noted. The industry outlook for FY2026 remains positive, aided by favourable demand drivers and an anticipated GST cut could provide additional stimulus to accelerate growth, Icra stated.
https://www.business-standard.com/industry/auto/domestic-two-wheeler-segment-to-see-6-9-volume-growth-in-fy26-icra-125082500537_1.html

Despite IT slowdown fears, Computer Science remains top choice in engineering admissions

As engineering colleges conclude their admission sessions, the fear of a slowdown in IT has not deterred the preference for Computer Science (CS) courses over other streams. Speaking to businessline, educational institutions and analysts say that job placements and packages offered by the sector prompted more students to apply for CS and aligned courses in line with earlier years.
https://www.thehindubusinessline.com/news/education/despite-it-slowdown-fears-computer-science-remains-top-choice-in-engineering-admissions/article69975747.ece

Agriculture

India won't compromise on farmers' interests: Agri minister amid US tariffs

Union Agriculture Minister Shivraj Singh Chouhan on Monday stated that India has resisted demands to allow imports of agricultural produce amid the imposition of tariffs by the United States (US). Speaking at the 12th convocation ceremony of the Indian Institute of Science Education and Research, he emphasised that the government's decisions prioritise the interests of farmers and fishermen, as quoted by news agency PTI. Chouhan remarked, "The world (read US) said you agree with us. They wanted us to open our doors for their agricultural produce. They farm on hectares of land with genetically modified (GM) seeds and get subsidies. Our small farmers couldn't have withstood the competition."
https://www.business-standard.com/industry/agriculture/shivraj-chouhan-us-tariff-farmers-interest-gm-crops-imports-trade-deal-125082501059_1.html

India, WFP to supply 200k tonnes of fortified rice for humanitarian needs

The United Nations World Food Programme (WFP) and the Indian government on Monday signed a definitive agreement to supply up to 200,000 metric tonnes of fortified rice from Food Corporation of India (FCI) warehouses for humanitarian needs. The Letter of Intent (LoI), signed today, will be executed over the next five years and is aimed at fulfilling the food and nutritional requirements of the most vulnerable populations in crisis zones globally.
https://www.business-standard.com/economy/news/india-wfp-to-supply-200000-tonnes-fortified-rice-for-humanitarian-aid-125082501032_1.html

India's cotton crop hit by boll rot on excess rain in parts of AP & Telangana, raises concern over yield

The cotton crop in parts of Andhra Pradesh and Telangana is infested with boll rot, a complex disease caused by a group of fungal and bacterial pathogens, due to the untimely and excessive rain this year. This has raised concerns over the crop yield as it could decline. A field survey under Project Bandhan led by the Jodhpur-based South Asia Biotechnology Centre (SABC) in collaboration with KVK Banvasi has confirmed the outbreak of boll rot, both external and internal types, across major cotton-growing cluster of Kurnool and other areas in Rayalaseema region.
https://www.thehindubusinessline.com/economy/agri-business/indias-cotton-crop-hit-by-boll-rot-on-excess-rain-in-parts-of-ap-telangana-raises-concern-over-yield/article69975541.ece

Infrastructure

Need rating system for consultants making detailed project reports: Gadkari

Union Minister Nitin Gadkari on Monday said there should be a rating system for consultants preparing detailed project reports (DPRs) and those who do shoddy work should be penalised. Addressing an event here, the road transport and highways minister said the names of contractors responsible for the construction of bad roads should also be displayed prominently. A DPR, which includes surveys, investigations and designs, is essential to the project implementation process.
https://www.business-standard.com/india-news/need-rating-system-for-consultants-making-detailed-project-reports-gadkari-125082501230_1.html

UDAN passenger count nosedives

The much-hyped journey from Hawai chappal to Hawai Jahaj (rubber slippers to aeroplanes) has hit a massive air pocket. As the government's regional connectivity scheme – UDAN (Ude Desh Ka Aam Nagrik) – completes nine years (it was launched in 2016 though the first flight took off a year later), passenger count has slumped by more than half in FY25 from the peak seen just three years earlier.
https://www.financialexpress.com/business/airlines-aviation-udan-passenger-count-nosedives-3956170/

India aims to double the number of airports to 350 by 2047: Civil Aviation Minister

Union Civil Aviation Minister Ram Mohan Naidu Kinjarapu on Monday said the central government aims to build 350 airports across the country by the year 2047, as part of its long-term vision for a 'Viksit Bharat'. Speaking to the media on the sidelines of the Eastern Region Ministers' Conference on Civil Aviation, the Minister said India currently has 162 airports, and the government intends to more than double the number over the next two decades.
https://economictimes.indiatimes.com/industry/transportation/airlines-/-aviation/india-aims-to-double-the-number-of-airports-to-350-by-2047-civil-aviation-minister/articleshow/123507538.cms

Improved MCA for PPP projects in ports, shipping & waterways to be released soon

The improved Model Concession Agreement (MCA) for Public-Private-Partnership projects in the ports, shipping and waterways will be issued soon. All the suggestions received from various stakeholders on changes has been incorporated in the improved MCA, Shipping Secretary T K Ramachandran, told newspersons on Monday.
https://www.thehindubusinessline.com/economy/logistics/improved-mca-for-ppp-projects-in-ports-shipping-waterways-to-be-released-soon/article69974975.ece

Energy

India's coal imports rise 1.5% to 76.4 MT in Q1FY26 despite domestic push

The country's coal import rose 1.5 per cent to 76.40 million tonnes in the April-June period of the current fiscal, compared to 75.26 MT in the year-ago period, even as the government pushes to ramp up domestic production of the fossil fuel. The country's coal import in June also increased to 23.91 million tonnes (MT) over 22.97 MT in the corresponding month of the previous fiscal, according to mjunction Services Ltd, a B2B e-commerce platform and a joint venture between Tata Steel and SAIL.
https://www.business-standard.com/industry/news/india-s-coal-imports-rise-1-5-to-76-4-mt-in-q1fy26-despite-domestic-push-125082500410_1.html

Telecom

Telcos weigh next round of tariff hike after Arpu boost

Telcos are likely to raise tariffs in the next two to three quarters, analysts believe, as they focus on value over volume growth. At the same time, given how companies have consolidated customer churn, they will want to limit SG&A (sales and marketing) costs to maintain margins, they added. The entry level changes made by Jio and Airtel could be one way to raise tariffs as telcos wait for the right time to effect more structured hikes across packs.
https://www.financialexpress.com/business/industry-telcos-weigh-next-round-of-tariff-hike-after-arpu-boost-3956316/

States

Odisha govt approves new IT, electronics component manufacturing policies

To attract investment, the Odisha government on Monday approved Electronics Component Manufacturing Policy and IT Policy, an official said. The state cabinet meeting, chaired by Chief Minister Mohan Charan Majhi, this evening has approved the two policies. The Electronics Component Manufacturing policy aims to generate high-skilled employment opportunities while reducing India's reliance on imported electronic components, said chief secretary Manoj Ahuja.
https://www.business-standard.com/economy/news/odisha-govt-approves-new-it-electronics-component-manufacturing-policies-125082501283_1.html

Rajasthan govt to build godowns to boost food storage capacity for farmers

The Rajasthan government is aiming to increase food storage capacity for the benefit of farmers by building godowns on a large scale in the cooperative sector. “Farmers grow food grains by working hard even in adverse conditions. However, due to harsh weather and limited storage capacity, the produce is often wasted. So, the state government has decided to build godowns,” a cooperative department official said. Under the ‘Sahkar se Samriddhi’ programme, the Centre is operating a food storage scheme in the cooperative sector.
https://www.business-standard.com/industry/agriculture/rajasthan-govt-to-build-godowns-to-boost-food-storage-capacity-for-farmers-125082500920_1.html

Uttar Pradesh's agricultural economy surges over threefold to ₹7 trillion

Uttar Pradesh’s agricultural economy has increased more than threefold in the last eight years to almost 7 trillion. Compared to the state’s agricultural sector’s gross state value added (GSVA) of ₹2 trillion in the financial year 2016-17 (FY17), the sectoral GSVA increased to ₹7 trillion in 2024-25 (FY25), said Agriculture Minister Surya Pratap Shahi.

The food grain contributes the maximum, more than 40 per cent, to the state's farm sector, followed by horticulture and sugarcane crops at roughly 22.50 per cent and 19.5 per cent, respectively.
https://www.business-standard.com/industry/agriculture/uttar-pradesh-s-agricultural-economy-surges-over-threefold-to-7-trillion-125082500899_1.html

Arunachal govt launches 'e-Bhavishya' for timely pension disbursement

The Arunachal Pradesh government on Monday launched e-Bhavishya, a pension reform initiative aimed at ensuring transparent, speedy, and hassle-free disbursement of retirement benefits to government employees. Announcing the initiative through a social media post, Chief Minister Pema Khandu said the government was committed to honouring the service of its employees by ensuring that they receive their dues on time. He said the new system would guarantee delivery of the pension payment order (PPO) on the day of retirement, thereby removing delays that have long troubled pensioners.
https://www.business-standard.com/india-news/arunachal-govt-launches-e-bhavishya-for-timely-pension-disbursement-125082500549_1.html

Healthcare

India's CRDMO sector is a $3 billion revenue industry: Jefferies

India's contract research, development, and manufacturing organisation (CRDMO) sector is emerging as one of the most dynamic growth stories in the global pharmaceutical landscape. According to a recent Jefferies India report, the country's CRDMO, which has already reached revenues of around $3 billion, has grown at a compound annual growth rate (CAGR) of 14 per cent over the past five years.
https://www.thehindubusinessline.com/economy/indias-crdmo-sector-is-a-3-billion-revenue-industry-jefferies/article69974450.ece

External

India, Fiji resolve to boost defence and maritime bilateral ties

India and Fiji on Monday announced an action plan to strengthen bilateral defence and security cooperation, with New Delhi promising to extend assistance to the island nation to ensure the security of its exclusive economic zone. Prime Minister (PM) Narendra Modi and visiting Fijian PM Sitiveni Ligamamada Rabuka signed nine agreements, and announced 17 other steps to foster closer relations, especially in defence and the maritime sector, which are important in the context of China's efforts to expand its strategic heft in the Pacific region. Since May, India has hosted leaders of the Maldives, Singapore, and the Philippines.
https://www.business-standard.com/economy/news/india-fiji-to-strengthen-defence-ties-maritime-security-cooperation-125082501205_1.html

India-UK FTA to boost aluminium exports as carbon tariffs pose challenge

The recently signed India-United Kingdom (UK) free-trade agreement (FTA) could treble Indian aluminium export to the other signatory nation by 2030, even as the UK's Carbon Border Adjustment Mechanism (CBAM), effective January 2027, threatens to nullify these gains, according to experts and industry leaders. India's aluminium sector is poised for a boost under the FTA, which eliminates the UK's import duties previously ranging from 2 per cent to 10 per cent."With the FTA now in place, the aluminium industry aims to treble its export to the UK by 2030 from the current 21 kilotonnes per annum (KTPA), worth $93 million, to approximately 65 KTPA, valued at around $220 million," said Rajiv Kumar, chief executive officer, Vedanta Aluminium.
https://www.business-standard.com/economy/news/india-uk-fta-to-boost-aluminium-exports-amid-carbon-tariff-challenges-125082500980_1.html

From textiles to seafood, how Trump's 50% tariff will bite from Aug 27

The trade rift between India and the US will escalate on August 27, when US President Donald Trump's latest tariff hike takes effect. The Trump administration announced an additional 25 per cent duty on Indian exports, doubling the overall levy to 50 per cent. Tariff hike: From August 27, Indian goods entering the US will face a total tariff of 50 per cent. This doubles the existing 25 per cent rate and covers a wide basket of products.

https://www.business-standard.com/economy/news/us-double-tariffs-indian-exports-august-27-trump-russian-oil-125082500403_1.html

Govt cuts minimum export price of natural honey to $1,400 per tonne

The government has cut the minimum export price (MEP) on natural honey from $2,000 per tonne to $1,400 per tonne till the end of this year, according to a notification. Exports below this MEP are not permitted. "MEP on natural honey is revised from $2,000 per metric tonne to $1,400 per metric tonne with immediate effect, till December 31, 2025," the Directorate General of Foreign Trade (DGFT) has said in a notification. The MEP was introduced in March 2024. The major exporting destinations are the US, UAE, Saudi Arabia and Qatar.
https://www.business-standard.com/industry/news/govt-cuts-minimum-export-price-of-natural-honey-to-1-400-per-tonne-125082500553_1.html

Facing hassles in customs clearance, pharma exporters to Pakistan seek clarity from DGFT on norms

Pharmaceutical exporters to Pakistan are facing challenges due to a halt incustoms clearance of their shipments for over two months. Indian Pharma exports pharmaceuticals worth over $200 million annually comprising formulations, vaccines, bulk drugs and Active Pharmaceutical Ingredients. The growth rate in FY25 was 18 per cent compared to the previous year.
https://www.thehindubusinessline.com/news/facing-hassles-in-customs-clearance-pharma-exporters-to-pakistan-seek-clarity-from-dgft-on-norms/article69975610.ece

India pauses buying soybean oil from China as Argentina cuts price

Indian importers have paused buying soybean oil from China after signing deals to import a record of about 1.5 lakh tonnes last month as Argentina has cut its offer prices, two sources involved in the purchases have said. “We have not bought any soybean oil from China after last month’s purchase. They are not showing interest in selling,” said one of the sources.
https://www.thehindubusinessline.com/economy/agri-business/india-pauses-buying-soybean-oil-from-china-as-argentina-cuts-price/article69975301.ece

Steel trade deficit narrows to ₹1,195 cr in July; exports edge past imports after 14 months

India’s steel trade gap narrowed sharply, witnessing a 28 per cent contraction in just one month. The deficit came down from ₹4,240-crore in April–June (Q1FY26) to ₹3,045 crore for April–July (4MFY26), implying a ₹1,195-crore turnaround in July alone, data accessed by businessline from the Steel Ministry showed. The change was driven primarily by a jump in exports, in July, and continuous decline in imports since April - driven by safeguard and quality control orders.
https://www.thehindubusinessline.com/companies/steel-trade-deficit-narrows-to-1195-cr-in-july-exports-edge-past-imports-after-14-months/article69975342.ece

Paper, paperboard imports rise up by 8% in Apr-Jun FY25, reports IPMA

India's paper and paperboard imports rose by 8 per cent to 486,000 tonnes in the April-June quarter of 2025-26 compared to the year-ago period, the Indian Paper Manufacturers Association (IPMA) said on Monday. Paper and paperboard imports stood at 452,000 tonnes in the first quarter of FY25, IPMA said while citing commerce ministry data. Imports from China surged by 28 per cent to 143,000 tonnes during April-June 2025, consolidating China's position as the single largest source of paper imports into India.
https://www.business-standard.com/industry/news/paper-paperboard-imports-rise-up-by-8-in-apr-jun-fy25-reports-ipma-125082500879_1.html