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Economy

India may become world's second-largest economy by 2038: EY report

India's economy could reach USD 20.7 trillion in terms of purchasing power parity (PPP) by 2030 and may emerge as the second-largest economy by 2038 with USD 34.2 trillion GDP, an EY report said on Wednesday. The report also said that with appropriate countermeasures, India can limit the adverse impact of higher US tariffs on selected Indian imports to about 10 basis points of real GDP growth. India is emerging as one of the most dynamic among the world's five largest economies, with strong economic fundamentals including high savings and investment rates, favourable demographics, and a sustainable fiscal position, said the the August 2025 issue of EY Economy Watch.
https://www.business-standard.com/economy/news/india-may-emerge-as-second-largest-economy-by-2038-says-ey-report-125082700810_1.html

Mfg GVA grew 11.9% in 2023-24, shows Annual Survey of Industries data

India's manufacturing sector gross value added (GVA) rose 11.89 per cent in 2023-24 (FY24), up from 7.28 per cent in the previous year, marking the second highest uptick in five years, even as output growth slowed to 5.8 per cent from 21.5 per cent in FY23, according to the Annual Survey of Industries (ASI) 2023-24 released on Wednesday. The top ten industries accounted for 71 per cent of the manufacturing GVA in FY24, with a handful — basic metals, motor vehicles, chemicals, food products and pharmaceuticals — dominating. Basic metals accounted for the largest share of fixed capital (17.42 per cent) and output (14.5 per cent), and GVA (11.56 per cent). Food products contributed the highest share of factories (16 per cent) and employed the largest proportion of workers (11.06 per cent), with textiles and motor vehicles being significant employers too.
https://www.business-standard.com/industry/news/mfg-gva-grew-11-9-in-2023-24-shows-annual-survey-of-industries-data-125082800008_1.html

EAC-PM chief warns US tariffs may weigh on jobs more than GDP growth

As India faces 50 per cent tariffs on its exports to the United States (US), S Mahendra Dev, Chairman of the Economic Advisory Council to the Prime Minister (EAC-PM), said the impact would be felt more on employment and less on overall growth. In an interview with Moneycontrol, he said that since India is largely dependent on domestic consumption, with exports accounting for only about 20 per cent of the gross domestic product, the economy is less vulnerable to external shocks. He added that while US tariffs could weigh on near-term growth, the bigger concern lies in potential job losses, particularly for micro, small and medium enterprises (MSMEs) in labour-intensive sectors such as textiles, garments, gems and jewellery, and leather goods.
https://www.business-standard.com/economy/news/us-tariffs-india-growth-msme-jobs-industry-exports-eacpm-125082700729_1.html

Inflation index likely to be revised every 5 years says Saurabh Garg

India plans to revise its inflation index every five years. The Consumer Price Index (CPI) series revision will occur regularly. Household Consumption Expenditure Survey (HCES) will be conducted every three years. The new CPI

series will be released in the first quarter of 2026, with 2024 as the base year. The new series will incorporate ecommerce data.
https://economictimes.indiatimes.com/news/economy/policy/inflation-index-likely-to-be-revised-every-5-years-says-saurabh-garg/articleshow/123551336.cms

Finance

Muted response from large lenders hinders ULI scale up, say bankers

Lack of digitized land records and slower adoption by large lenders are creating hurdles in scaling up of Unified Lending Interface (ULI), senior bank officials said. "ULI is picking up. However, even though smaller banks might be on-board with the ULI, large banks have their own lending rails and have multiple APIs. They are not as much interested in lending through the ULI platform. The interface definitely helps the smaller banks to lend through the platforms," said a senior-level executive of a private sector bank.
https://www.business-standard.com/industry/news/big-banks-slow-adoption-weak-land-records-stall-uli-scale-up-bankers-125082700907_1.html

Sectoral impact: Industry to sit down with RBI for tariff assessment

Reserve Bank of India will meet with industry leaders to discuss the impact of US tariffs. The consultation is planned for September. It will assess how the 50% tariffs affect various sectors. Labour-intensive industries may face significant challenges. The meeting will also cover the India-UK trade agreement. RBI aims to cushion the economy from the fallout.
https://economictimes.indiatimes.com/news/economy/foreign-trade/sectoral-impact-industry-to-sit-down-with-rbi-for-tariff-assessment/articleshow/123551482.cms

Personal income tax collection overtakes corporate tax: Report

India's personal income tax collections have surpassed corporate taxes for the first time, marking a significant shift driven by formalisation, digitisation, and improved compliance. The surge in individual income tax returns, TDS collections, and advance tax payments, coupled with GST implementation, has bolstered direct tax compliance.
https://economictimes.indiatimes.com/news/economy/finance/personal-income-tax-collection-overtakes-corporate-tax-report/articleshow/123543537.cms

Industry

ICRA expects India Inc to report muted revenue growth of 5-6% in Q2

Rating agency ICRA expects India Inc to report muted revenue growth of 5-6 per cent in the second quarter of the fiscal as against 5.5 per cent in the preceding three months. Coupled with softening of input costs such as crude oil and coal, this will result in a steady Operating Profit Margin (OPM) in the range of 18-18.2 per cent on a year-on-year (y-o-y) basis, it said in a release.
https://www.thehindubusinessline.com/economy/icra-expects-india-inc-to-report-muted-revenue-growth-of-5-6-in-q2/article69982333.ece

Cement prices rise sharply as fuel, gypsum costs continue to escalate

Cement prices have seen a sharp escalation in the current fiscal, following upward pressure from input fuel costs, particularly petroleum coke (petcoke), industry sources said. The all-India average cement price reached ₹360 per 50-kg bag in May 2025, about 8 per cent higher year-on-year after a steep decline the previous year. While regional differences persist - with eastern India seeing the sharpest increases (₹20 a bag in West Bengal) and western markets rising by a modest ₹3 - the trend across the country is clearly upward.
https://www.business-standard.com/industry/news/cement-prices-rise-sharply-as-fuel-gypsum-costs-continue-to-escalate-125082700894_1.html

Commercial vehicle volumes likely to grow by 3-5% this fiscal: Report

Commercial vehicle dispatches from companies to dealers are expected to witness a volume growth of 3-5 per cent year-on-year in the current fiscal, rating agency Icra said on Wednesday. Domestic commercial vehicle wholesale

volumes reported a moderate 6.1 per cent year-on-year increase in July 2025, even as volumes declined sequentially by 2.7 per cent.
https://www.thehindubusinessline.com/economy/logistics/commercial-vehicle-volumes-likely-to-grow-by-3-5-this-fiscal-report/article69982500.ece

India's senior living market to see 15,000 homes by 2030, ₹26,000-cr investment

Nearly 15,000 senior living homes are likely to come up by 2030 with an estimated cost of Rs 26,000 crore if project launches continue at current pace in the organised market, according to a report. On Wednesday, the Association of Senior Living India (ASLI) and real estate consultant JLL India released a report on the country's senior living market, which mentioned that the total organised supply of senior citizen homes stood at 22,157 units as of June this year. This stock was 7,147 units in 2014. At baseline growth, the report projected an estimated supply of 14,900 units by 2030 with an estimated investment of Rs 26,000 crore.
https://www.thehindubusinessline.com/news/real-estate/indias-senior-living-market-to-see-15000-homes-by-2030-26000-cr-investment/article69982439.ece

Sweets and namkeen makers ask for GST reduction to 5% citing jobs, margins

Federation of Sweets & Namkeen Manufacturers have asked for a reduction in GST on namkeen from 12 per cent to 5 per cent, and also asked the government to allow sweet shops selling chaat and other food items to be taxed at 5 per cent with input tax credit (ITC). In its note, the federation said that these changes would reduce litigation, stabilise margins, boost employment and align with India's ambition of becoming a global food hub, pointing out that food items are scattered across all the current GST slabs.
https://www.business-standard.com/industry/news/sweets-and-namkeen-manufacturers-ask-for-gst-to-be-reduced-to-5-125082700814_1.html

ICEA urges government to reduce GST on ACs and TVs from 28% to 18%

The Indian Cellular and Electronics Association (ICEA) has urged the government to rationalise the Goods and Services Tax on air conditioners and television sets from the current 28 per cent to 18 per cent to stimulate domestic demand, affordability and global competitiveness. "Air conditioners and televisions are no longer luxury goods. They are essential consumer durables that define the modern quality of life. Keeping them in the highest GST slab alongside sin goods is inconsistent and counterproductive," ICEA chairman Pankaj Mohindroo said.
https://www.business-standard.com/industry/news/icea-urges-gst-cut-ac-television-125082700827_1.html

Cabinet extends PM SVANidhi scheme till 2030 with ₹7,332 crore outlay

The Centre on Wednesday jacked up the collateral-free loan amount extended to street vendors by ₹5000 and also assured them of UPI-linked RuPay credit cards as it revamped and extended the PM SVANidhi scheme till March 31, 2030. The Prime Minister Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) scheme -- which was introduced in 2020 during pandemic to support street vendors -- was supposed to end in December 31, 2024. The decision was taken by Union Cabinet, chaired by Prime Minister Narendra Modi. It also sanctioned a total outlay of ₹7,332 crore for the scheme.
https://www.business-standard.com/economy/news/cabinet-extends-pm-svanidhi-scheme-till-2030-with-rs-7332-crore-outlay-125082700622_1.html

Agriculture

US tariff to slow basmati rice exports, create local surplus

US tariffs of 50% on Indian basmati rice threaten 0.3 MT of exports, creating a domestic surplus and price pressure. With Pakistan facing lower duties, Indian exporters fear losing share, though demand from the Middle East and Europe will keep overall basmati exports steady.
https://www.financialexpress.com/policy/economy-us-tariff-to-slow-basmati-rice-exports-create-local-surplus-3959458/

Shrimp farmers eye 'Fresh' ways to boost local consumption

India is intensifying efforts to bolster domestic shrimp consumption to mitigate the impact of rising US tariffs on its shrimp exports. A government committee, under the NFDB, is exploring strategies to cultivate a strong local market. Farmers propose innovative solutions like live shrimp transportation and consumer experience centers to boost demand and ensure fair prices.
https://economictimes.indiatimes.com/news/economy/agriculture/shrimp-farmers-eye-fresh-ways-to-boost-local-consumption/articleshow/123551120.cms

Energy

India eyes 126 million PNG connections, 18,000 CNG stations by 2034

The Petroleum and Natural Gas Regulatory Board (PNGRB) has ramped up efforts to nudge states on new initiatives and policies aimed at meeting the national target of 126.3 million PNG connections and 18,336 CNG stations by 2034, the downstream petroleum regulator said on Wednesday. The idea is to significantly expand the reach of natural gas infrastructure in the country. In order to sort out policy and operational issues of the CGD sector, PNGRB leadership held several meetings with chief ministers and chief secretaries of Assam, Maharashtra, Andhra Pradesh, Uttarakhand, Madhya Pradesh, Uttar Pradesh, Himachal Pradesh, Bihar, Tamil Nadu, Rajasthan, Jammu & Kashmir, Andaman & Nicobar Island, among others.
https://www.business-standard.com/economy/news/pngrb-targets-12-6-crore-png-connections-18336-cng-stations-by-2034-125082700329_1.html

Oil imports from Russia steady in August

India's Russian crude imports held steady at 1.6 mbpd in August despite U.S. sanctions talk. While volumes eased from June highs, refiners continue to buy on discounts, even as diversification to Middle East, U.S. and Africa gains pace to balance energy security and costs.
https://www.financialexpress.com/policy/economy-oil-imports-from-russia-steady-in-august-3959212/

Telecom

Telcos announce relief measures for customers in rain-hit and flood regions

Leading telecom service providers on Wednesday announced relief initiatives and extended services to customers impacted by severe weather conditions and flooding in Jammu & Kashmir, Ladakh and Himachal Pradesh. Reliance Jio and Bharti Airtel granted an automatic three-day validity extension on expiring prepaid mobile plans this week to ensure subscribers remain connected without any recharge requirement. Jio users will receive unlimited calling and 2GB of high-speed data per day, while Airtel is offering unlimited calls alongside 1GB of data per day.
https://www.business-standard.com/industry/news/telcos-announce-relief-measures-rain-flood-hit-regions-125082700987_1.html

Focus shifting from recovery to reinvention in telecom sector: Experts

The telecom sector is shifting from recovery to reinvention as tariff-led growth slows. Airtel focuses on consolidation, Vodafone Idea battles debt, and Jio bets big on AI with its JioBrain platform. Analysts say the next phase will hinge on new business models, digital services and innovation.
https://www.financialexpress.com/business/industry-focus-shifting-from-recovery-to-reinvention-in-telecom-sector-experts-3959371/

States

States' capex likely rose 19% in April-July

States' capex grew 19% YoY in April-July FY26 to Rs 1.36 lakh crore, aided by Centre's interest-free loans, though July saw moderation due to monsoon. Borrowings surged 44% as revenue growth slowed, while revenue expenditure remained steady. Public capex continues to drive India's growth.
https://www.financialexpress.com/policy/economy-states-capex-likely-rose-19-in-april-july-3959255/

Delhi records 5.8% annual growth in GSDP, 7% in per capita income in last decade: Report

The gross state domestic product (GSDP) and per capita income of Delhi registered an annual growth of more than 5 per cent and 7 per cent, respectively, in the last decade, said a report. The share of Delhi's GSDP contribution to all India GDP at constant prices, however, recorded a decline during the period, according to the report. The Net State Domestic Product (NSDP) at current prices, also known as state income, was expected to touch ₹10,83,765 crore in 2024-25 as compared to ₹3,14,650 crore during 2011-12, registering annual average growth rate of 10.14 per cent.
https://www.thehindubusinessline.com/news/national/delhi-records-58-annual-growth-in-gsdp-7-in-per-capita-income-in-last-decade-report/article69982488.ece

Odisha CM Majhi disburses ₹1,041 cr to over 51 lakh farmers under CM-KISAN scheme

Odisha Chief Minister Mohan Charan Majhi on Wednesday disbursed Rs 1,041 crore to the bank accounts of over 51 lakh farmers as the third installment under the CM Kisan Yojana. Each beneficiary, mostly small and marginal farmers, received ₹2,000 as financial assistance for the upcoming Rabi season. Under the scheme, eligible farmers across Odisha receive ₹4,000 per annum in two installments, one during Akshaya Tritiya and the other during Nuakhai.
https://www.thehindubusinessline.com/news/national/odisha-cm-majhi-disburses-1041-cr-to-over-51-lakh-farmers-under-cm-kisan-scheme/article69982490.ece

Bihar needs private investment to sustain growth, says Nitish Mishra

Bihar's Industry Minister Nitish Mishra discussed the aggressive strategy the state has undertaken to transform its economy, such as translating investment proposals into reality to improve the business environment and tackling unemployment issue. Significant progress have been made. Of the ₹50,300 crore worth of proposals from the 2023 Bihar Business Connect, projects worth ₹38,000 crore have been grounded, which means they have moved from the proposal stage to becoming operational. For the larger pool of ₹1.81 trillion worth of proposals, we have cleared projects worth ₹92,000 crore. A significant portion of the pending clearances, particularly among the larger projects, relates to renewable energy. Nearly half of all proposed investments are in this sector.
https://www.business-standard.com/politics/bihar-needs-private-investment-to-sustain-growth-says-nitish-mishra-125082400768_1.html

Bengal attracted ₹5,710 cr private investment in tourism last year, leads in homestays: Official

West Bengal's tourism sector attracted private investment worth Rs 5,710 crore last year, driven by new luxury hotels, homestays and festival-driven growth, a senior official said on Wednesday. Speaking at the MCCI Tourism Conclave, Additional Chief Secretary (Tourism) Nandini Chakravorty said 42 new luxury hotels came up in the state last year, while Bengal ranked first in homestay registrations with 5,322 operational units and 3,755 more in the pipeline.
https://www.thehindubusinessline.com/news/national/bengal-attracted-5710-cr-private-investment-in-tourism-last-year-leads-in-homestays-official/article69982659.ece

UP liquor exports set to cross 1,000 million litres by 2026: Industry body

Uttar Pradesh is rapidly emerging as a global hub for liquor production and exports, with industry forecasts predicting outbound shipments to surpass 1,000 million litres by next year, the Uttar Pradesh Distillery Association has said. Association President and Business Head S K Shukla said the state's liquor sector has seen unprecedented expansion over the past five years.
https://www.thehindubusinessline.com/news/up-liquor-exports-set-to-cross-1000-million-litres-by-2026-industry-body/article69982666.ece

External

India, US hint at early resolution of tariff mess

India and the US signal early resolution of the 50% tariff dispute as both sides stress dialogue and confidence-building. While exporters brace for near-term pressure, the government plans support measures and new outreach to boost textile and merchandise exports in global markets.
https://www.financialexpress.com/policy/economy-india-us-hint-at-early-resolution-of-tariff-mess-3959457/

European Trade Commissioner may visit India next month, FTA on agenda

European Commissioner for Trade Maros Sefcovic is expected to visit India next month to assess the progress of FTA negotiations with Commerce Minister Piyush Goyal. This visit is anticipated towards the end of the 13th round of negotiations scheduled for September 8. Both sides aim to conclude negotiations by the end of this year.
https://economictimes.indiatimes.com/news/india/maros-sefcovic-european-trade-commissioner-may-visit-india-next-month-fta-on-agenda/articleshow/123551308.cms

India, Singapore can set global benchmarks in arbitration: Meghwal

India and Singapore can set global benchmarks in fair, transparent and efficient dispute resolution, Minister of State for Law and Justice Arjun Ram Meghwal said here on Wednesday. Addressing an Indian Council of Arbitration (ICA) Symposium cum Roundtable, Meghwal said, "The significant reforms in India's arbitration laws and the establishment of the India International Arbitration Centre mark a decisive step towards creating a world-class dispute resolution framework.
https://www.thehindubusinessline.com/news/india-singapore-can-set-global-benchmarks-in-arbitration-meghwal/article69982160.ece

Indian-owned biz top list of new non-UAE cos in 2025: Dubai Chamber

Indian-owned businesses once again topped the list of new non-UAE companies joining the chamber in the first half of 2025, according to an analysis by the Dubai Chamber of Commerce. A total of 9,038 new members from India joined during the six-month period, representing a 14.9 per cent year-over-year (y-o-y) growth. The Dubai Chamber of Commerce is one of the three chambers operating under the umbrella of Dubai Chambers.
https://www.thehindubusinessline.com/companies/indian-owned-biz-top-list-of-new-non-uae-cos-in-2025-dubai-chamber/article69982380.ece

Open to rethink on restrictions on FDI from China, says official

India is considering easing restrictions on Foreign Direct Investment from China. This move comes amid warming relations between the two nations. Niti Aayog suggested relaxing the mandatory prior approval for investments up to 24%. Recent ministerial visits and agreements on flights and tourism signal improved ties.
https://economictimes.indiatimes.com/news/economy/foreign-trade/open-to-rethink-on-fdi-from-china-import-restrictions-says-official-et-world-leaders-forum/articleshow/123551334.cms

Hopeful of achieving some fine-tuning of DTAA soon: Mauritius minister

Discussions for fine-tuning the Double Taxation Avoidance Agreement (DTAA) are on and some critical changes are likely to be finalised soon, Mauritius Minister of Financial Services & Economic Planning, Jyoti Jeetun, said in a one-on-one conversation with Ruchika Chitravanshi in New Delhi. The minister said that Indian businesses are resilient and would come out of the US tariff setback, while stressing how Mauritius can be a bridge to expanding markets in Africa.
https://www.business-standard.com/economy/interviews/hopeful-of-achieving-some-fine-tuning-of-dtaa-soon-mauritius-minister-125082700665_1.html

Russia-led EAEU team to visit India in September for free trade talks

A high-level delegation from the Russia-led Eurasian Economic Union (EAEU) will visit New Delhi next month for discussions on the proposed free trade agreement (FTA) just weeks after the final framework for launch of negotiations was announced. Both sides aim to conclude the FTA talks in the next 18 months, with the possibility of an earlier conclusion but that depends on the pace of negotiations, a person aware of the matter told Business Standard. EAEU, comprises Russia, Kazakhstan, Belarus, Armenia, and Kyrgyzstan.
https://www.business-standard.com/economy/news/india-russia-led-eaeu-set-to-launch-fta-talks-aim-for-18-month-timeline-125082700664_1.html

India reaches out to 100 nations for ₹10 trillion shipping investment

In a bid to drive investments worth ₹10 trillion into India's shipping, ports, and shipbuilding sectors, the Ministry of External Affairs and Ministry of Ports, Shipping and Waterways has reached out to over 100 countries for the India

Maritime Week, proposed to be held in October. With India enforcing a host of fiscal and legislative reforms over the past seven months, Prime Minister Narendra Modi will personally interact with global chief executive officers of leading global shipping companies at the maritime week, said R Lakshmanan, joint secretary at the shipping ministry, while addressing ambassadors and delegates of various nations in Delhi.
https://www.business-standard.com/industry/news/india-eyes-investments-of-10-trn-into-shipping-sector-at-biennial-meet-125082701011_1.html

India plans outreach in 40 countries to boost textiles exports amid US tariff blow

India is planning dedicated outreach programmes in 40 countries, including the UK, Japan, and South Korea, to push textiles exports amid a 50 per cent tariff imposed by the US on Indian products, an official said on Wednesday. Other nations include Germany, France, Italy, Spain, the Netherlands, Poland, Canada, Mexico, Russia, Belgium, Turkiye, the United Arab Emirates, and Australia.
https://www.thehindubusinessline.com/economy/india-plans-outreach-in-40-countries-to-boost-textiles-exports-amid-us-tariff-blow/article69982372.ece

Auto part suppliers may take a detour from US market under two-tier tariff

With a two-tier tariff of 25 per cent and 50 per cent looming over the automotive (auto) components industry, Indian players are turning to new markets such as the European Union and doubling down on future-ready products. The duties, imposed by the Donald Trump administration, threaten to wipe out the industry's $6.6 billion export market to the US. The setback is severe: the US accounted for nearly 27 per cent of India's $22.9 billion auto component exports in 2024-25.
https://www.business-standard.com/industry/auto/high-tariffs-drive-indian-auto-part-makers-to-look-beyond-us-125082700832_1.html

Indian steelmakers seek sharp hike in met coke import quotas amid supply crunch

Indian steel producers have called on the government to sharply raise import quotas for low-ash metallurgical coke, seeking a near sevenfold increase to address what they say is a critical supply crunch, according to sources and a government document. India, the world's second-largest crude steel producer, in June extended import curbs on low-ash metallurgical coke, a steelmaking raw material, for six months starting in July. New Delhi also set country-specific import quotas and capped purchases at 1.4 million metric tons from July 1 to December 31.
https://www.thehindubusinessline.com/markets/commodities/indian-steelmakers-seek-sharp-hike-in-met-coke-import-quotas-amid-supply-crunch/article69982385.ece

Front-loading by Asian economies drives temporary export boom ahead of US tariffs: Nomura

Front-loading by major Asian economies ahead of the US reciprocal tariffs has significantly altered global export patterns, according to a Nomura report.The research highlights that several countries rushed shipments to the United States before higher duties came into effect in early August, leading to a sharp surge in export growth during the first half of the year.
https://www.thehindubusinessline.com/news/world/front-loading-by-asian-economies-drives-temporary-export-boom-ahead-of-us-tariffs-nomura/article69982418.ece

EU to propose removing US tariffs this week to meet Trump demand

The European Union will seek to fast track legislation by the end of the week to remove all tariffs on US industrial goods, a demand made by President Donald Trump before the US will lower its duties on the bloc's automobile exports. The European Commission, which handles trade matters for the EU, will also give preferential tariff rates on certain seafood and agricultural goods, according to people familiar with the matter.
https://www.thehindubusinessline.com/news/world/eu-to-propose-removing-us-tariffs-this-week-to-meet-trump-demand/article69982583.ece