

September 29, 2025 – Monday

Economy

RBI may go for 25 bps rate cut as inflation likely to remain benign: SBI Research report

A State Bank of India report has suggested a 25 bps repo rate cut in the upcoming RBI monetary policy, citing benign inflation. However, most economists expect the Monetary Policy Committee to maintain status quo when it announces its decision on October 1. Views remain divided, with experts weighing GST rationalisation, US tariffs, and growth stability.
https://economictimes.indiatimes.com/news/economy/indicators/rbi-may-go-for-25-bps-rate-cut-as-inflation-likely-to-remain-benign-sbi-research-report/articleshow/124193301.cms

GST collection may see a hit in September-October, but expect strong rebound soon

As consumers postponed purchases in August after Prime Minister Narendra Modi announced goods and services tax (GST) rate cuts, GST collection in September is expected to take a hit, data for which will be out on October 1. Experts said some of the hit would have spilled over to October but it will be a temporary dip and the collection would pick in the subsequent months. Gross GST collection in April to August period has been over ₹10 lakh crore showing a growth of nearly 10 per cent. However, post-refund net collection reached ₹8.78 lakh crore with a growth of around 9 per cent.
https://www.thehindubusinessline.com/economy/gst-collection-may-see-a-hit-in-sept-oct-but-expect-strong-rebound-soon/article70104396.ece

Finance

Banks up scrutiny on education loan exposure, tighten underwriting norm post H-1B visa diktat

Indian banks have increased scrutiny of their education loan portfolios and are tightening underwriting standards following the US government's move to tighten H-1B visa norms, including a proposed $100,000 fee per new applicant, sources say. "Students who want to study abroad are hesitant in applying for a loan, considering the latest US move on the H-1B visa. While these loans are backed by some security of parents, if the family is from a marginal background, and if the students are in their second or third year of their graduation, aspiring for a H-1B Visa, and if they don't find a job in the US, then it is a problem," a senior private sector banker said.
https://www.thehindubusinessline.com/money-and-banking/banks-up-scrutiny-on-education-loan-exposure-tighten-underwriting-norm-post-h-1b-visa-diktat/article70105779.ece

Legacy microloan stress still a worry for small finance banks

Microfinance business is significantly impacting small finance banks like ESAF, Suryoday, and Utkarsh, with nearly a fifth of their microloan books under severe stress. This deterioration in asset quality, driven by high unsecured microloans, is weighing heavily on their profitability and has led to rating downgrades and losses for some.
https://economictimes.indiatimes.com/markets/stocks/news/legacy-microloan-stress-still-a-worry-for-small-finance-banks/articleshow/124202733.cms

Banks revamp underwriting as MSME delinquencies emerge

Banks and non-banking finance companies (NBFCs) are recalibrating their underwriting models as early signs of stress emerge in the micro, small and medium enterprise (MSME) segment. Rising delinquencies, particularly in smaller ticket-size loans, are prompting lenders to adopt more nuanced credit assessment frameworks. “We’re expanding our distribution and leveraging data analytics to improve credit assessment and risk management,” Manish Kothari, group president & head – commercial banking at Kotak Mahindra Bank, said. Kotak expects rural India to be an important banking opportunity over the next five-seven years.
https://www.financialexpress.com/business/banking-finance/banks-revamp-underwriting-as-msme-delinquencies-emerge/3992501/

Private credit is on course for its biggest year in emerging markets

Emerging markets are on a tear this year and that is drawing some of the hottest names in finance — lenders from the world of private credit. Funding by the likes of Blackstone Inc. and Apollo Global Management Inc. is putting EM deals from private lenders on course for the biggest year on record. The first half of 2025 saw $11.7 billion deployed, already nearly reaching 2024’s full-year total, according to the Global Private Capital Association. This year has included the biggest private deals to date in India, Southeast Asia and Eastern Europe, adding to strong growth in the Gulf. Heavyweights like KKR & Co. and Ares Management Corp. are being drawn by a revival of interest in emerging economies as investors seek alternatives to US assets.
https://www.business-standard.com/finance/news/private-credit-is-on-course-for-its-biggest-year-in-emerging-markets-125092800593_1.html

SEBI plans premium-based model for OTR computation in options

The Securities and Exchange Board of India (SEBI) is reworking how the order-to-trade ratio (OTR) is computed for options, with plans to shift from a strike-price-linked model to one based on option premiums, people familiar with the matter said. Under the revised framework, only orders beyond ±40 per cent of the option premium, or ₹20, whichever is higher, would count towards OTR. The method is expected to tighten scrutiny for liquid, high-premium contracts while giving more flexibility for low-premium or illiquid contracts.
https://www.thehindubusinessline.com/markets/sebi-plans-premium-based-model-for-otr-computation-in-options/article70105868.ece

Life insurers firms plan to approach regulator for relief after ITC removal

Life insurance companies are planning to approach the insurance regulator to seek approval for passing on a portion of the financial impact of the removal of input tax credit (ITC) to distributors in the form of reduced commissions, according to multiple sources familiar with the development. This follows the introduction of a nil goods and services tax (GST) on individual life and health insurance premiums.
https://www.business-standard.com/finance/insurance/life-cos-to-approach-irdai-to-pass-on-impact-of-itc-removal-on-distributor-125092800459_1.html

Centre's borrowing calendar bodes well for bond market, eyes now on states' plan

The government's borrowing calendar for the second half of this financial year is seen as net positive for bonds, with yields on longer bonds falling faster than on short-term papers, said bank treasury officials and traders. The Centre will borrow ₹6.77 lakh crore in the October 2025-March 2026 period, slightly lower than ₹6.82 lakh crore indicated earlier, as per the details released on Friday.
https://economictimes.indiatimes.com/markets/bonds/centres-borrowing-calendar-bodes-well-for-bond-market-eyes-now-on-states-plan/articleshow/124202629.cms

Industry

Govt issues guidelines to set up EV charging stations under PM E-DRIVE

The central government has issued operational guidelines for the rollout of around 72,300 public electric vehicle (EV) charging stations across the country, with an allocation of ₹2,000 crore under the ₹10,900-crore PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) scheme. The guidelines set out a tiered subsidy framework to facilitate the establishment of EV charging infrastructure at multiple locations. Bharat Heavy Electricals

Ltd (BHEL) has been designated as the project implementation agency (PIA) for the rollout. Subsidy disbursal will take place in two instalments, linked to the achievement of specified compliance and performance milestones.
https://www.business-standard.com/economy/news/govt-issues-guidelines-to-set-up-ev-charging-stations-under-pm-e-drive-125092800700_1.html

India gears up to embrace carbon market plans to counter climate criticism

India will put the final pieces in place by the end of October to kick start a long-awaited domestic carbon market, and a separate United Nations supervised inter-governmental market for trade in emission credits by January, in an attempt to tame criticism that along with acquiring the image of a poster boy of being the world's fastest growing major economy, it is also getting the distinction of being the world's fastest growing major emitter. India's Carbon Credit Trading Scheme (CCTS) and Article 6, the United Nations supervised voluntary carbon trading system, are critical for India to secure technologies available only with the developed world and arrange funds for ambitious emission reduction programmes, which a recent study by Centre for Social and Economic Progress pegged at $467 billion by 2030 to put four carbon-intensive sectors- power, steel, cement and transport — on a low carbon pathway.
https://www.business-standard.com/economy/news/india-gears-up-to-embrace-carbon-market-plans-to-counter-climate-criticism-125092900008_1.html

Shifting gears: Affordable EVs add pace to auto race

The compact and mini electric car segment is set to become the next arena of competition as automakers look to emulate the unrivalled dominance of Maruti Suzuki in this category on petrol engines. While the battle among carmakers has been intense in the Rs 18-25-lakh electric car segment, the sub-four-meter category, which is the backbone of the domestic car market driving more than 60% of the volumes in FY25, has been largely snubbed by major brands.
https://www.financialexpress.com/business/industry/shifting-gears-affordable-evs-add-pace-to-auto-race/3992676/

Ice-cream makers pad up for life post GST reduction

The GST rate rationalisation in ice-creams has opened up the market for new and existing players. A sharp 13% reduction in tax rates (18% to 5%) has meant that ice-creams are cheaper now versus earlier and the shift from unorganised to organised players will likely be faster. Half of the Rs 30,000-crore domestic ice-cream market is organised; the rest is unorganised, according to industry experts. Analysts as well as companies expect at least a 10-15% incremental growth (per annum) on account of GST tailwinds. As such, the Rs 15,000-crore organised ice-cream market in India has been growing at about 10-12% per annum over the last few years, according to sector experts.
https://www.financialexpress.com/business/industry/ice-cream-makers-pad-up-for-life-post-gst-reduction/3992469/

Consumer companies reaping rich rural harvest

Rural markets are experiencing a significant demand revival for cars, motorcycles, and electronics, with sales more than doubling in several categories during Navratri. This surge is driven by the recent GST rate rationalization, good monsoons, and festive offers, indicating a strong post-GST recovery and a shift towards premium products in smaller towns.
https://economictimes.indiatimes.com/industry/cons-products/fmcg/consumer-companies-reaping-rich-rural-harvest/articleshow/124199500.cms

D2C brands join festive delivery race

It's not only FMCG giants, automakers or e-commerce platforms that are bracing for a retail rush this festive season. Direct-to-consumer quick commerce brands too are tightening their belts and fast-tracking supply chains to tap into peak demand. And for many of them, the buzzword this year is speed. Having launched their own quick-delivery options over the past year, a clutch of D2C players, ranging from men's fashion startups to skincare labels, are making sure they don't miss out on the season's surge. For them, festivals have become not just a sales driver but also a test of brand discovery, consumer loyalty and operational muscle.
https://www.financialexpress.com/business/industry/d2c-brands-join-festive-delivery-race/3992667/

Experts flag tax credit blockage for FMCG distributors despite GST relief

The government's recent circular has brought clarity on trade discounts and credit notes under the GST regime, but has shifted compliance obligation and cash-flow pressure onto FMCG distributors, experts said. Indirect Tax Expert at LexVed Vedika Agrawal said the GST circular 251 makes it clear that financial or commercial credit notes - those issued without GST - do not require distributors to reverse their input tax credit (ITC).
https://www.business-standard.com/industry/news/experts-flag-tax-credit-blockage-for-fmcg-distributors-despite-gst-relief-125092800121_1.html

FHRAI to meet govt over GST demand notices, seeks ITC reinstatement

Top executives from the Federation of Hotel & Restaurant Associations of India (FHRAI) will meet government officials this week to address tax demand notices that hotels across the country have received over underpayment of goods and services tax (GST) for restaurant services at their premises. “We will be meeting government officials in the coming week to address this issue of retrospective demand notices, which run into crores. This is not a case of tax evasion but GST-related ambiguity, which needs to be addressed by authorities. We want to clarify these matters and arrive at a solution,” Surendra Kumar Jaiswal, the newly-elected president of FHRAI, told Business Standard.
https://www.business-standard.com/industry/news/fhrai-hotels-gst-tax-demand-notices-itc-removal-125092800258_1.html

Gaps and silos emerge as companies take up AI due to strategy mismatch

Artificial intelligence (AI) adoption is nearly universal among large enterprises and yet a disconnect exists between early success and organisation-wide transformation due to mismatch in perception, strategy, and ownership. This gap, or “AI whitespace”, represents untapped potential for greater business impact, according to a report by Bounteous, a digital transformation consultancy. It took insights from over 300 executives at companies with revenues of more than $500 million.
https://www.business-standard.com/industry/news/gaps-and-silos-emerge-as-companies-take-up-ai-due-to-strategy-mismatch-125092800794_1.html

Agriculture

₹1.02 trillion investment lined up in Indian food processing sector: Govt

The central government has signed agreements with 26 domestic and international companies, securing investments totalling ₹1.02 trillion for India’s food processing sector during the ‘World Food India’ summit. Organised by the Ministry of Food Processing Industries, the summit was inaugurated by Prime Minister Narendra Modi and took place at Bharat Mandapam in the national capital from September 25 to 28. The ministry noted that World Food India 2025 concluded on a historic note, marked by investment commitments of an unprecedented scale, according to an official statement released on Sunday.
https://www.business-standard.com/industry/news/1-02-trillion-investment-lined-up-in-indian-food-processing-sector-govt-125092800515_1.html

Up to 14-month delay in claim settlement under Fasal Bima: Study

Several farmers, who had opted for the highly subsidised Pradhan Mantri Fasal Bima Yojana (PMFBY), report delays in claims settlement, according to an impact assessment study of the Centre’s flagship scheme since its launch nine years ago. “Many farmers reported receiving compensation between three to fourteen months after crop loss, undermining the schemes’ core function of enabling timely reinvestment,”, the comprehensive study carried out by the centre for management in agriculture at the Indian Institute of Management (IIM) has stated.
https://www.financialexpress.com/policy/economy/up-to-14-month-delay-in-claim-settlement-undernbspfasal-bima-study/3992374/

Infrastructure

27 MoUs worth over ₹66,000 crore signed to boost India's maritime sector

A MoU Exchange Ceremony took place on the eve of the "Samudra Se Samriddhi - Transforming India's Maritime Sector" programme on September 19 at Bhavnagar, Gujarat. According to the Ministry of Ports, Shipping and Waterways' release, this event was addressed by Prime Minister Narendra Modi, in which a number of projects pertaining to the maritime sector were launched. The MOUs were signed on September 18th in the presence of Union Minister of Ports, Shipping, and Waterways, Sarbananda Sonowal, Dr Mansukh Mandaviya, Union Minister of Labour & Employment, Youth Affairs & Sports, and Shantanu Thakur, Minister of State for Ports, Shipping, and Waterways.
https://www.business-standard.com/economy/news/27-mous-worth-over-66-000-crore-signed-to-boost-india-s-maritime-sector-125092800814_1.html

Sagarmala NBFC to tap maritime development fund for up to ₹15,000 crore

With cabinet approval for the ₹25,000 crore Maritime Development Fund (MDF) in place, India's first maritime finance lender — state-owned Sagarmala Finance Company (SMFCL) — will start lending with a sizable portion of the fund allocated for critical port infrastructure and shipbuilding projects. "Under the new package (approved on Wednesday), SMFCL will have access to a sizeable portion of MDF's financing window, with an initial lending capability expected in the range of ₹10,000-15,000 crore, to support port-linked logistics, coastal shipping, and shipyard-linked infrastructure," Union shipping minister Sarbananda Sonowal told Business Standard.
https://www.business-standard.com/industry/news/sagarmala-nbfc-to-tap-maritime-fund-for-rs-15-000-crore-125092800391_1.html

Energy

PNGRB proposes LPG portability, allowing users to switch suppliers

In a move similar to mobile number portability, cooking gas consumers will soon be allowed to change their supplier without altering their existing connection, offering more choice and improved service. Oil regulator PNGRB has invited stakeholder and consumer comments on the LPG Interoperability Framework. The Petroleum and Natural Gas Regulatory Board (PNGRB), in the notice inviting comments, stated that in situations where a local distributor faces operational constraints, consumers often have limited alternatives, leading to hardship.
https://www.business-standard.com/economy/news/pngrb-proposes-lpg-portability-allowing-users-to-switch-suppliers-125092800176_1.html

In policy shift, upstream oil firms increase tech focus, seek contract reforms

Decades of incremental policy reforms by India to attract investments by Big Oil haven't yielded the intended outcome. National hydrocarbon production has stagnated over recent decades, and import dependence for oil has remained the most obvious macroeconomic vulnerability for the country. Thankfully, this has of late led to a subtle policy shift. As many of once-prolific oil fields have matured, and are depleting fast, state-run oil companies as well as private players are giving a renewed emphasis on assimilating cutting-edge technology for production enhancement as well as exploration. This is being done both by augmenting indigenous R&D and through tech partnerships with foreign oil companies.
https://www.financialexpress.com/policy/economy/in-policy-shift-upstream-oil-firms-increase-tech-focus-seek-contract-reforms/3992382/

Centre eyes umbrella law for nuclear energy; Special tribunal for disputes

India is mulling a major overhaul of its nuclear energy sector, proposing a single umbrella law and opening it to private players in key areas like mining and fuel fabrication. New Delhi plans a specialized tribunal for disputes and a nuclear safety authority coordinating with IAEA.
https://economictimes.indiatimes.com/industry/energy/power/centre-eyes-umbrella-law-for-nuclear-energy-special-tribunal-for-disputes/articleshow/124200276.cms

States

Kerala launches quality mark with coconut oil to boost global presence

In an effort to provide a new mark of quality for unique products from Kerala, the state government has launched its ambitious 'Kerala Brand' initiative. The aim is to market these products in the global market with this certification. The first product to receive the quality mark is coconut oil. Products such as coffee, tea, honey, ghee, bottled water, plywood, footwear, PVC pipes, surgical rubber gloves and cattle feed are also shortlisted for the next phase.
https://www.business-standard.com/industry/news/kerala-brand-quality-mark-coconut-oil-global-market-125092800464_1.html

Trade shows to be held in all 75 UP districts from October 9: UP Minister

The Uttar Pradesh government on Sunday announced that eight-day trade shows will be organised across all 75 districts of the state from October 9 to 16, where entrepreneurs will be provided free stalls to showcase and promote their products on a wider scale. Khadi and Village Industries Minister Rakesh Sachan made this announcement during a seminar on Khadi for Nation, Khadi for Fashion held on the fourth day of the UP International Trade Show (UPITS) in Greater Noida, an official statement said.
https://www.business-standard.com/india-news/trade-shows-to-be-held-in-all-75-up-districts-from-october-9-up-minister-125092800543_1.html

Healthcare

Tariff uncertainties may spur rise in third-party pharma manufacturing

Uncertainties around America's tariff policies may encourage more third-party manufacturing and geographical diversification in the pharmaceutical sector in the medium term, say analysts and industry insiders. United States (US) President Donald Trump last week announced on social media a 100 per cent tariff on imports of branded or patented drugs. Pharmaceutical companies that have begun constructing plants in the US may be spared from this.
https://www.business-standard.com/industry/news/pharma-third-party-manufacturing-rise-us-tariff-uncertainty-125092800277_1.html

External

India-EFTA agreement set to be launched on October 1 after long wait

The government is holding a mega event to launch the trade agreement between India and the four-member European Free Trade Association (EFTA) nations, which will come into force from October 1 after a one-and-half-year wait. The event will be held at Bharat Mandapam in New Delhi. Commerce and Industry Minister Piyush Goyal, key ministers from the EFTA nations, key government officials as well as several industry participants are expected to attend the programme, government officials said.
https://www.business-standard.com/economy/news/india-efta-trade-pact-to-take-effect-oct-1-with-100-bn-investment-promise-125092800436_1.html

Switzerland takes a fancy to Rudraksha

Rudraksha has witnessed a remarkable surge in popularity in Switzerland over the past few months, with exports of the seed of the Indian bead tree soaring by an astonishing 5,075% year-on-year. Listings for Rudraksha products have also multiplied on major Swiss e-commerce platforms. Although Rudraksha still represents a very small segment of India's overall plant product exports, it has opened up new opportunities for farmers and traders in the Himalayan foothills, particularly in Uttarakhand. While Switzerland's Indian diaspora of over 27,000 provides a foundational market, the main driver is the growing wellness and mindfulness movement among the broader Swiss population, an official explained.
https://www.financialexpress.com/policy/economy-switzerland-takes-a-fancy-to-rudraksha-3992553/

Energy minister of newly-formed Nepal govt will visit India in October

Nepal's minister of Energy and Water Resources Kulman Ghising is scheduled to visit India in October to attend the 8th meeting of the International Solar Alliance (ISA). This will be the first visit to India of a minister of the newly-formed government of PM Sushila Karki. Karki, 73, became prime minister on September 12, ending days of political uncertainty after the ouster of Prime Minister K P Sharma Oli following violent protests by youth-led Gen Z group against his government over corruption and a ban on social media.

https://www.business-standard.com/external-affairs-defence-security/news/energy-minister-of-newly-formed-nepal-govt-will-visit-india-in-october-125092800698_1.html

South Korea unable to pay $350 billion in cash under trade pact

Seoul and Washington agreed in July to a $350 billion investment pledge as part of a broader trade deal to lower US tariffs to 15% from 25%, but the two sides remain divided over how it should be structured. South Korean officials are seeking loans and a bilateral currency swap arrangement with the US to soften the economic impact, noting that the sum represents more than 80% of its foreign reserves.
https://economictimes.indiatimes.com/news/international/world-news/south-korea-unable-to-pay-350-billion-in-cash-under-trade-pact/articleshow/124198905.cms