

October 06, 2025 – Monday

Economy

MoSPI seeks feedback on inclusion of PDS food items in retail inflation

The Ministry of Statistics and Program Implementation (MoSPI) has come out with a second discussion paper seeking feedback on the inclusion of food items distributed free of cost through the public distribution system (PDS) in the proposed new consumer price index (CPI) series. The series is slated to be launched in February next year. The paper proposes to create a single commodity index for different food items by combining PDS prices (zero or subsidised in some states, weighted by consumption categories) with open market prices. Creating a separate index for PDS food items would not be of much importance as their prices are regulated by the government and may not reflect actual price changes, the paper suggested.
https://www.business-standard.com/economy/news/mospi-seeks-feedback-on-inclusion-of-pds-food-items-in-retail-inflation-125100500499_1.html

Broader Labour Survey on cards to capture more data on skilling

The Ministry of Skills Development will soon request PLFS expansion. This seeks skilling data. It will address demand-supply gaps. New additions include vocational education quality and youth unemployment rates. These changes are planned for the next fiscal year. This supports the National Policy for Skill Development 2025. The goal is to create a skilled workforce for industry needs.
https://economictimes.indiatimes.com/news/economy/policy/broader-labour-survey-on-cards-to-capture-more-data-on-skilling/articleshow/124325398.cms

Registration of new companies crosses 21,600 in September; highest in five months

Registration of new companies by the private sector in September crossed over 21,600, latest provisional data from Corporate Affairs Ministry showed. This is the highest in five months and second highest in the current calendar year. This data does not include one person company, limited liability partnership (LLP) and foreign company.
https://www.thehindubusinessline.com/economy/registration-of-new-companies-crosses-21600-in-september-highest-in-five-months/article70127771.ece

Survey shows 40% buyers received full benefits in second GST 2.0 week

LocalCircles' survey for the second week of GST 2.0 implementation (starting September 29) shows a significant improvement in price benefit for consumers on food products, rising from 10% to 40%.
https://www.financialexpress.com/business/industry/40-consumers-receiving-full-benefit-of-gst-in-food-in-week-2-localcircles/3999392/

Share of manufacturing in new projects at all-time high in Q2

The share of the manufacturing sector in the total new investment projects announced surged to 73.2% for the three months to September this year, the highest since the period for which data is available (Q3FY11), according to CMIE, reports Saikat Neogi. While the value of new projects announced was Rs 5.2 lakh crore in Q2FY26, the manufacturing sector accounted for Rs 3.8 lakh crore.

https://www.financialexpress.com/business/industry/share-of-manufacturing-in-new-projects-at-all-time-high-in-q2/3999258/

Finance

Bank lending grows, but appetite remains muted

According to Reserve Bank of India (RBI) data, system credit growth edged up to 10.3% year-on-year as of September 5, compared with 10% as of August 22, while deposit growth moderated to 9.8% from 10.2% over the same period. The system credit-deposit ratio remained elevated at 79% as of September 2025.
https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-lending-grows-but-appetite-remains-muted/articleshow/124325504.cms

ECL norms to have bigger impact on banks with higher unsecured loans

Commercial banks with higher proportion of unsecured loans — like personal loans, credit card and microfinance exposure — are likely to have a higher impact of the Reserve Bank of India's (RBI's) expected credit loss (ECL) norms, according to analysts. During the monetary policy review meeting, RBI Governor Sanjay Malhotra announced that the transition to ECL framework from the current incurred loss framework will start from April 1, 2027. RBI is yet to announce draft ECL norms. A discussion paper was floated in early 2023.
https://www.business-standard.com/economy/news/ecl-norms-to-impact-banks-with-higher-unsecured-loans-125100500388_1.html

Microfinance sector faces funding crunch, default fears amid scrutiny

The microfinance industry is in a bind as funding declines and fears of defaults swirl amid stricter regulatory scrutiny. Funding fell to ₹58,109 crore in FY25, a decline of 55.40 per cent year-on-year (Y-o-Y). Confidence levels of lenders (to MFIs) headed south on fears about asset quality, over-leverage and relatively poor collections. The industry's gross loan book shrank to ₹3.59 trillion in June 2025, down 5.8 per cent quarter-on-quarter and 17 per cent on an annual basis, even as the Reserve Bank of India (RBI) pushed for responsible lending, and guardrails to curb overleveraging kicked in.
https://www.business-standard.com/finance/news/microfinance-sector-faces-funding-crunch-default-fears-amid-scrutiny-125100500691_1.html

Unclear guidelines hold back growth of credit line on UPI since launch

Nearly two years after its launch, the credit line on UPI (CLOU) product continues to see limited adoption, as banks and fintech companies remain uncertain about its treatment and reporting requirements, according to multiple industry sources. A key point of confusion is whether the product should be classified and reported as a credit card or a personal loan, each governed by different Reserve Bank of India (RBI) guidelines and compliance obligations. Estimates suggest that the CLOU clocked around ₹500 crore in value per month last year. That figure may have declined this year after a major private sector lender paused the offering, a source said.
https://www.business-standard.com/finance/news/unclear-guidelines-hold-back-growth-of-credit-line-on-upi-since-launch-125100500501_1.html

PSB consolidation may resume by fiscal-end

After a gap of six years, the process of consolidation of public sector banks (PSBs) may restart by the end of the current financial year. What is being considered is the merger of 3-4 smaller PSBs with larger ones in the first phase. In the subsequent phase, which will be implemented over the medium term, some of the resultant combined entities may be merged among themselves, official sources told FE.
https://www.financialexpress.com/business/banking-finance/psb-consolidation-may-resume-by-fiscal-end/3999320/

Industry

Draft policy paves way for eSports' pan-Indian play, gaming reforms

The government's legislative efforts to promote eSports and social gaming has gathered momentum with the release of the Promotion and Regulation of Online Gaming Rules, 2025. Under the draft rules, for which the Ministry of Electronics and Information Technology (MeitY) has invited stakeholder comments until October 31, eSports will be regulated by the Ministry of Youth Affairs and Sports. This is aimed at giving eSports formal recognition as a government-identified sport, thereby lending credibility to players and sports associations, a senior government official said.
https://www.business-standard.com/industry/news/govt-support-clarification-on-money-aspects-will-help-pan-india-e-sports-125100500591_1.html

Rare earth magnet scarcity triggers 75% drop in e2w registrations in Q2

With just 35,908 electric two-wheeler registrations between July and September, the scarcity of rare earth magnets has slowed down the penetration of electric two-wheelers in India. A 75 per cent year-on-year drop in electric two-wheeler registrations was recorded in Q2 between July and September. According to Vahan data, which tracks vehicle registrations in the country, 1,44,000 electric two-wheelers were registered between July and September in 2024, as opposed to 35,908 electric two-wheelers registered during the same period in 2025.
https://www.thehindubusinessline.com/news/rare-earth-magnet-scarcity-triggers-75-drop-in-e2w-registrations-in-q2/article70127767.ece

Wholesale auto sales beat demand estimates in September: Report

India's automobile industry recorded a strong rebound in September 2025, with wholesale volumes across all major vehicle segments surpassing expectations, according to a report by ICICI Securities. The demand revival came after the Goods and Services Tax (GST) reduction on September 22, which lifted both retail and wholesale momentum across the sector.
https://www.thehindubusinessline.com/companies/wholesale-auto-sales-beat-demand-estimates-in-september-report/article70127947.ece

New electronic component scheme to double local value addition to 40% over five years

Record proposals submitted under India's first scheme for non-semiconductor electronic components are likely to double local value addition in the production of finished goods to up to 40 per cent over the next five years, according to industry body Elcina. The electronics component makers' body has urged state governments to enhance ease of doing business to support the Centre's Electronics Component Manufacturing Scheme (ECMS). ECMS has received investment proposals worth ₹1.15 lakh crore, which is more than double the target of ₹59,000 crore envisaged under the scheme.
https://www.thehindubusinessline.com/economy/new-electronic-component-scheme-to-double-local-value-addition-to-40-over-five-years-elcina/article70127576.ece

International travel, tourism to support 90 million new jobs by 2035: WTTC

The international travel and tourism sector will support 90 million new jobs in the next 10 years, accounting for one in every three jobs created globally, according to a report by the World Travel & Tourism Council (WTTC). Demographic and structural shifts could create a workforce shortfall of more than 43 million people if left unaddressed, says the report, Future of the Travel and Tourism Workforce', which focused on 20 economies. The Council works with governments on issues of the travel and tourism industry, and is the global authority on the economic and social contribution of the sector.
https://www.business-standard.com/industry/news/international-travel-tourism-to-support-90-million-new-jobs-by-2035-wttc-125100500226_1.html

IT services sector likely to see modest Q2FY26 growth as clients defer large tech projects

The Indian IT services sector is expected to post another subdued quarter, with no meaningful improvement over Q1FY26, as global clients delay large tech initiatives amid macroeconomic and tariff uncertainties. Analysts also expect Q2FY26 constant-currency (cc) revenue growth to remain modest. Mid-sized IT firms are seen outperforming the larger ones with some of them having gained scale and maturity to win cost-saving deals, they said.
https://www.thehindubusinessline.com/companies/it-services-sector-likely-to-see-modest-q2fy26-growth-as-clients-defer-large-tech-projects/article70128079.ece

Agriculture

CCI revamps cotton procurement with Kapas Kisan app and expanded centres

Beginning this procurement season, technology will reduce the hassle for cotton farmers in the country. As many as 16 lakh farmers out of the 60 lakh cotton farmers in the country are already on the Kapas Kisan app, created by the Cotton Corporation of India (CCI), which is set to be at the focal point of fibre procurement. “Beginning this season, cotton farmers can book a slot for the sale of their produce over the next seven days. They can bring their produce to the designated procurement centre. Without having to wait there for their turn, they can simply choose their day to sell their produce,” L K Gupta, Chairman and Managing Director of Cotton Corporation of India (CCI) told businessline.

https://www.thehindubusinessline.com/economy/agri-business/cci-revamps-cotton-procurement-with-kapas-kisan-app-and-expanded-centres/article70128104.ece

Surplus rains hit kharif crops, govt may cut output estimate

Unseasonal and surplus rainfall due to a stalled monsoon withdrawal have severely damaged key Kharif crops, including paddy, pulses, cotton, and sugarcane, across northwest India, particularly in Maharashtra (6.8 Mha impacted), Punjab, and Rajasthan.

https://www.financialexpress.com/policy/economy/surplus-rains-hit-kharif-crops-govt-may-cut-output-estimate/3999274/

Infrastructure

Indian Railways to study joint rail and road tunnels for cost-effective connectivity

Indian Railways will explore building tunnels for both trains and vehicles. This plan aims to use underground space better. It will reduce land acquisition and construction costs. A joint working group will approve all such tunnel projects. This initiative seeks planning and implementation that saves costs for future infrastructure development across India.

https://economictimes.indiatimes.com/industry/transportation/railways/indian-railways-to-study-joint-rail-and-road-tunnels-for-cost-effective-connectivity/articleshow/124325329.cms

Energy

Domestic gas demand to pick up pace by FY27

Indian Gas Exchange (IGX), the only gas exchange in the country, sees domestic gas demand picking up pace in the coming years with prices softening to $8-$9 per million British thermal unit (MBTU) by 2027, said Managing Director & CEO, Rajesh Mediratta in an interview with Shubhangi Mathur. Despite the subdued demand from the power sector in the current year due to prolonged monsoon, volumes traded on the exchange are likely to rise by 15-20 percent in the current fiscal, he said.

https://www.business-standard.com/industry/news/q-a-with-rajesh-k-mediratta-managing-director-ceo-indian-gas-exchange-125100500357_1.html

Russia to remain India’s top crude supplier as refiners lean on discounted barrels, analysts say

India's crude oil imports from Russia edged lower in September but still constituted over a third of its total purchases, underscoring Russia's persistent role despite US pressure. Russian barrels remain economical for Indian refiners due to discounts, ensuring their continued centrality in India's fuel supply chain. While India diversifies, it is unlikely to abandon Russian supplies soon.

https://economictimes.indiatimes.com/industry/energy/oil-gas/russia-to-remain-indias-top-crude-supplier-as-refiners-lean-on-discounted-barrels-analysts-say/articleshow/124317871.cms

States

'States need to improve finances to expedite poverty alleviation agenda'

States need to improve their financial health to achieve faster poverty reduction goals, J-PAL, part of the Massachusetts Institute of Technology (MIT), global executive director Iqbal Singh Dhaliwal has said. "The central government's fiscal deficit is fine, but the state governments are facing considerable challenges in terms of their finances and fiscal resources. There are two basic reasons for this. "One is the addition of schemes after schemes. Whatever programme launched 20 years ago is also running along with what has been launched recently," he said.
https://economictimes.indiatimes.com/news/economy/policy/states-need-to-improve-finances-to-expedite-poverty-alleviation-agenda/articleshow/124325773.cms

Maharashtra's GCC Policy set to boost commercial realty demand, job creation

Maharashtra's new GCC policy will boost office markets in Mumbai and Pune. It aims to attract multinational corporations, creating 400,000 jobs by 2030. The policy offers fiscal incentives and infrastructure support. It will also promote skill development. This initiative positions the state as a preferred destination for captive centres. Fresh leasing demand of 25-30 million sq ft is expected.
https://economictimes.indiatimes.com/industry/services/property-/-cstruction/maharashtras-gcc-policy-set-to-boost-commercial-realty-demand-job-creation/articleshow/124325137.cms

Commercial coal mining begins in Arunachal

Arunachal Pradesh will launch its first commercial coal mine on October 6, 2025. The Namchik-Namphuk coal block in Changlang district will begin operations. Union Minister G Kishan Reddy and Chief Minister Pema Khandu will attend the ceremony. This project aims to generate over 100 crore rupees annually for the state. It will also create new jobs and boost energy security.
https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/commercial-coal-mining-begins-in-arunachal/articleshow/124320935.cms

Healthcare

Centre revises rate structure for nearly 2,000 medical procedures

In a first major revamp since 2014, the Union health ministry has announced revised rates for nearly 2,000 medical procedures under the Central Government Health Services (CGHS) scheme. These rates come into effect from October 13. They have been rationalised based on accreditation status, hospital type, city classification and ward entitlement. This was not the case earlier. It comes at a time when the scheme's working has been a point of contention for both patients and hospitals.
https://www.business-standard.com/india-news/centre-revises-cghs-rates-hospitals-welcome-tier-based-structure-125100500385_1.html

Genomic testing gets affordable, drives expansion beyond metro cities

Genomic testing, once considered an expensive and niche service, is rapidly becoming more affordable and accessible across India, with prices of routine tests falling by 30 to 40 per cent in the past few years. Prices of routine tests such as BRCA1/2 for cancer risk assessment and non-invasive prenatal testing (NIPT) now range between ₹5,000 and ₹20,000, respectively. Even advanced procedures, such as whole exome sequencing, earlier priced at around ₹25,000, are increasingly within reach at ₹18,000, while the cost of whole genome sequencing currently about ₹60,000 is expected to fall below ₹20,000 in the next three years.
https://www.business-standard.com/industry/news/genomic-test-prices-falling-expanding-access-beyond-metros-125100500391_1.html

New pharma R&D scheme helpful only for incremental products: Experts

Industry experts debate if the revised Promotion of Research and Innovation in Pharma-MedTech Sector (PRIP) scheme, with a Rs 5,000 crore outlay, is sufficient to catalyze novel drug development in India, given the multi-billion-dollar cost of a new chemical entity (NCE).
https://www.financialexpress.com/business/industry/new-pharma-rampd-scheme-helpful-only-for-incremental-products-experts/3999298/

External

Trade to climate: Modi, Starmer set to discuss 'Vision 2035' this week

Prime Minister Narendra Modi and his counterpart from the United Kingdom, Keir Starmer, will take stock of the opportunities presented by the India-UK Comprehensive Economic and Trade Agreement (CETA) at their forthcoming discussion in Mumbai later this week. The deal was signed between the two countries on July 24 in London. Starmer will be in India on October 8 and 9, and meet Modi in Mumbai on Thursday, during which they will review the India-UK 'Vision 2035', which is a focussed and time-bound 10-year road map of programmes and initiatives in trade and investment, technology and innovation, defence and security, climate and energy, health, education and people-to-people relations, India's Ministry of External Affairs said on Saturday.
https://www.business-standard.com/economy/news/starmer-s-visit-vision-2035-india-s-untapped-export-potential-to-uk-125100500432_1.html

Piyush Goyal to visit Qatar for talks on comprehensive trade pact

Commerce and Industry Minister Piyush Goyal will begin his two-day visit to Qatar on Monday, during which he will hold discussions on a proposed comprehensive trade deal between India and the West Asian nation, including steps to finalise the framework of the deal, the commerce department said on Sunday. Both sides will also hold discussions on reviewing the bilateral trade performance, addressing existing trade barriers and non-tariff issues, and exploring avenues to enhance trade and investment flows.
https://www.business-standard.com/economy/news/piyush-goyal-to-visit-qatar-for-talks-on-comprehensive-trade-deal-125100500512_1.html

India–EU FTA: 14th round of trade talks to resume in Brussels today

India and the European Union (EU) will get back to the negotiating table in Brussels on Monday for the 14th round of talks on their Free Trade Agreement (FTA) for the last-lap push to conclude it before the December 2025 deadline. Officials from both sides have held meetings almost every second month since the deadline was announced. The last round, the 13th since the negotiations began in July 2022, was held from September 8 to September 12.
https://www.financialexpress.com/policy/economy/indiaeu-fta-talks-to-resume-today/3999308/

Next round of talks on proposed trade pacts with Chile, Peru in Oct, Nov

The next round of negotiations between India and two South American countries, Chile and Peru, will be held in October and November, respectively, an official said. The five-day talks with Chile will start on October 27 in Santiago, the three-day deliberations with Peru will begin on November 3 in Lima, the official said. Both agreements are being negotiated separately. India is set to hold its second round of trade talks with Chile and the eighth round of negotiations with Peru. India and Chile implemented a preferential trade agreement (PTA) in 2006 and are now negotiating to widen its scope for a comprehensive economic partnership agreement (CEPA).
https://www.business-standard.com/economy/news/next-round-of-talks-on-proposed-trade-pacts-with-chile-peru-in-oct-nov-125100500195_1.html

India, Australia to ink three pacts during Rajnath Singh's visit to Canberra this week

Defence Minister Rajnath Singh will undertake a two-day visit to Australia beginning Thursday to explore "new and meaningful" initiatives to further expand bilateral defence and strategic ties. The two sides are set to ink three agreements during Singh's visit that will provide for further boosting cooperation in the areas of information sharing, expanding maritime security ties and joint activities. India and Australia are also expected to carry out a detailed review of the current situation in the Indo-Pacific amid growing global concerns over China's increasing military muscle-flexing in the region.
https://www.thehindubusinessline.com/economy/india-australia-to-ink-three-pacts-during-rajnath-singhs-visit-to-canberra-this-week/article70128700.ece

Issues with US need to be resolved, actively working on them, says EAM Jaishankar

Minister S Jaishankar affirmed India is resolving trade issues with the US, calling levied tariffs "unfair," including those related to Russian oil. He highlighted evolving global dynamics like increased sanctions, crypto's rise, and the US becoming a major energy exporter, while China leads in renewables.

https://economictimes.indiatimes.com/news/economy/foreign-trade/issues-with-us-need-to-be-resolved-actively-working-on-them-says-mea-jaishankar/articleshow/124319922.cms

India must boost regional ties to offset tariffs: AIIB

Erik Berglof from AIIB suggests India deepen trade ties with Asian nations. He advises revisiting the CPTPP decision for economic benefits. India must focus on drawing investments, especially in infrastructure. Increasing women's workforce participation is vital for growth. Coordinating state-level green transition efforts will also be key. These steps can counter US tariffs.

https://economictimes.indiatimes.com/news/economy/foreign-trade/india-must-boost-regional-ties-to-offset-tariffs-aiib/articleshow/124325249.cms

Exports making Indian factories up to 25% more eco-friendly: IIM study

Exports not only boost business growth but also make Indian factories greener, a study by the Indian Institute of Management (IIM), Lucknow, has found after analysing two decades of firm-level data. Described as the first-of-its-kind, the study examined whether export orientation encourages Indian manufacturing companies to adopt greener practices. Led by Chandan Sharma, professor of Economics and Business Environment at IIM-Lucknow, it has been published in the prestigious Energy Economics (Elsevier) journal.

https://www.business-standard.com/economy/news/exports-making-indian-factories-up-to-25-more-eco-friendly-iim-study-125100500168_1.html