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Economy

India resilient but not immune to global headwinds, says RBI report

The Indian economy is not immune to global headwinds even if it has shown resilience so far, according to the Reserve Bank of India's (RBI's) monthly report, "State of the Economy", released on Monday. The report observed that net foreign direct investment (FDI) had turned negative in August due to moderation in inflows and increase in repatriation. "While the Indian economy is not immune to global headwinds, it has so far exhibited resilience, driven by a focus on strong and durable macroeconomic fundamentals," the report said while emphasising the need for economic resilience, which had become a key priority. It said economic fundamentals were strong because of low inflation, the robust balance sheets of banks and companies, adequate foreign-exchange reserves, and a credible monetary and fiscal framework.
https://www.business-standard.com/economy/news/rbi-state-of-economy-report-india-resilient-global-headwinds-fdi-decline-125102000785_1.html

Finance

Banks getting it right, net interest margins on the mend

Eight of the 24 banks reporting Q2 earnings have seen sequential improvements in net interest margins (NIMs), signaling a potential bottoming out of this key profitability metric. Indian Overseas Bank led the pack, with its NIM rising 21 basis points to 3.21% following a business re-engineering initiative that increased MCLR-linked loans. Federal Bank also reported strong growth, with NIM up 12 basis points to 3.06%.
https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-getting-it-right-net-interest-margins-on-the-mend/articleshow/124710110.cms

Commercial banks may not need RBI approval for floating subsidiaries

For commercial banks to float subsidiaries, approval from the Reserve Bank of India (RBI) may not remain mandatory, according to highly placed sources. However, if the subsidiary is for insurance or asset management, the bank must take approval from the respective regulators. The central bank is considering the matter. The move, sources said, is to make banks' doing business easier. The regulator has been streamlining regulations for the financial sector to enhance ease of doing business, and this move is a step in that direction.
https://www.business-standard.com/finance/news/commercial-banks-may-not-need-rbi-approval-for-floating-subsidiaries-125102000760_1.html

Digital-footprint loans by PSBs may touch Rs 1 L cr in FY26

Enthused by the initial round of digital-footprint-based lending, the government is nudging public sector banks (PSBs) to increase the threshold for such loans to around Rs 1-2 crore from Rs 50 lakh. The enhanced thresholds could enable them to collectively achieve around Rs 1 lakh crore loan disbursement through this new model in 2025-26. It was announced in the Union Budget 2024-25 that PSBs will build their in-house capability to assess MSME for credit, based on the scoring of digital footprints of MSMEs, such as PAN, Goods and Service Tax and Income Tax data,

electricity bills, etc. The new model provides an alternative than relying on the traditional assessment of credit eligibility based only on asset or turnover criteria.
https://www.financialexpress.com/business/banking-finance-digital-footprint-loans-by-psbs-may-touch-rs-1-l-cr-in-fy26-4016562/

Small finance banks to scale up gold loan business

Amid a muted overall credit growth in the banking sector, gold loans have emerged as the only segment witnessing strong traction. Rising gold prices have further boosted customer demand. Small finance banks are actively ramping up efforts to seize the opportunity and scale up gold loan portfolios by adding branches and deploying more employees on ground. This also marks a shift from unsecured lending to secured loan books.
https://www.financialexpress.com/business/banking-finance-small-finance-banks-to-scale-up-gold-loan-business-4016535/

26% of Jan Dhan accounts with PSBs inactive as usage slows under PMJDY

The share of inoperative Pradhan Mantri Jan-Dhan Yojana (PMJDY) accounts in public-sector banks (PSBs) has risen to 26 per cent as of the end of September, up from 21 per cent a year ago, reflecting a further slowdown in account activity under the government's flagship financial inclusion scheme, according to a senior government official. "As of September 2025, of a total of 545.5 million PMJDY accounts in PSBs, around 142.8 million were inoperative. For 2025–26, the target for opening new PMJDY accounts in PSBs is 20 million, of which 13.2 million accounts (66 per cent) have been opened until September," the official said.
https://www.business-standard.com/finance/news/jan-dhan-inoperative-accounts-psbs-financial-inclusion-rupay-gap-125101500986_1.html

Lenders tap alternative data as next frontier in credit fraud fight

Risk assessment platforms are increasingly using diverse data sources to help lenders identify groups attempting to access credit from regulated entities and to improve the process of evaluating new-to-credit (NTC) users. Companies are training models on various forms of alternative data — such as location details, third-party app usage, SMS data, payment transaction behaviour, and metadata — to enhance underwriting for NTC customers. Fraud syndicate detection often stems from analysing alternative data patterns, such as multiple government IDs linked to a single mobile number, particularly in high-risk regions with a history of fraudulent activity.
https://www.business-standard.com/finance/news/lenders-tap-alternative-data-as-next-frontier-in-credit-fraud-fight-125102000680_1.html

Travel, education drag outward remittances under RBI's LRS in August

India's outward remittances under the Reserve Bank of India's (RBI) Liberalised Remittance Scheme (LRS) declined 17.7 per cent year-on-year (YoY) in August 2025 to $2.6 billion, mainly due to lower international travel and overseas education spending amid US visa restrictions. According to data released by the RBI in its August monthly bulletin, outward remittances under the scheme were $3.21 billion in August 2024.
https://www.business-standard.com/finance/news/outward-remittances-fall-august-2025-rbi-lrs-travel-education-decline-125102000776_1.html

Indian govt pushes to expand rupee settlement with key trade partners

India's central bank is taking active steps to allow free-trade partners to settle transactions with it more easily in the rupee, a person familiar with the matter said, a move that could help boost the local currency over time. Initial steps include establishing direct rupee rates that don't rely on a third currency, such as the US dollar, for cross-reference, said the person familiar with the central bank's thinking, asking not to be named because the discussions are private.
https://www.business-standard.com/finance/news/indian-govt-pushes-to-expand-rupee-settlement-with-key-trade-partners-125102000757_1.html

India Inc. can now file financial statements and annual returns till Dec 2025

The Ministry of Corporate Affairs (MCA) in a notification has allowed companies to file their financial statements and annual returns for FY 2024–25 using the newly revised e-forms on the MCA-21 version 3 portal without paying additional fees. In view of deployment of new e-forms, and considering that companies may require some time to

get familiarised with the filing process, and keeping in view the requests received from various stakeholders, the ministry has been decided that companies will be allowed to complete their annual filings for FY25 till December 31, 2025 without payment of additional fees, the ministry statement said.
https://www.financialexpress.com/business/industry-india-inc-can-now-file-financial-statements-and-annual-returns-till-dec-2025-4016572/

Industry

Hiring lags investment as firms boost capex on automation, machinery

Sectors that account for around 70 per cent of the total factory employment showed a double-digit rise in additional investments, but single-digit hiring growth in FY24. The 10 sectors in terms of factory employment showed a median 12.6 per cent increase in fixed capital, which includes plant and machinery, land and other long-term assets after depreciation; shows an analysis of data by organised manufacturing tracker Annual Survey of Industries (ASI) 2023-24.
https://www.business-standard.com/industry/news/hiring-lags-investment-as-firms-boost-caoex-on-automation-machinery-125102000853_1.html

GST rationalisation to lift organised apparel revenue by 200 bps: Report

The recent goods and services tax (GST) rationalisation is set to lift revenue growth of organised apparel retailers by about 200 bps this fiscal, keeping the topline steady at 13-14 per cent for the second financial year in a row, a report said on Monday. The GST rate cut on apparel priced below Rs 2,500 is likely to lift demand in the mid-premium segment, while the fast fashion or value segment will continue to drive the momentum, Crisil Ratings said in a report. Though limited, the GST relief provides timely support to sustain growth, the report stated.
https://www.business-standard.com/economy/analysis/gst-rationalisation-to-lift-organised-apparel-revenue-by-200-bps-report-125102000715_1.html

Big retailers see brisk sales, biz dull for small stores

Organised retail giants like Vijay Sales and Kalyan Jewellers report 12-25% sales growth this Diwali, fueled by GST cuts and festive offers. However, smaller apparel and lifestyle stores in cities like Mumbai, Ahmedabad, and Delhi are reporting mixed trends and sales dips, highlighting a K-shaped recovery in festive consumer spending.
https://www.financialexpress.com/business/industry/big-retailers-see-brisk-sales-biz-dull-for-small-stores/4015890/

Agriculture

NITI Aayog urges push for deep-sea fishing to boost seafood exports

India should boost deep-sea and offshore fishing by modernising vessel fleets and offering financial incentives to develop infrastructure through cluster-based models, a NITI Aayog report said. The move could reduce pressure on overexploited coastal fisheries, boost seafood exports, and create jobs, while promoting ecological sustainability, it mentioned. “Recognise the capital-intensive nature of deep-sea fishing and promote inclusive fleet development by supporting fisher cooperatives and cluster-based approaches, enabling collective ownership, operation, and access to technology,” the Centre’s apex think tank has stated in its report titled ‘India’s Blue Economy‘.
https://www.financialexpress.com/policy/economy/niti-aayog-urges-push-for-deep-sea-fishing-to-boost-seafood-exports/4015926/

Infrastructure

India set to lead in Asia-Pac office supply next year

India is set to lead the Asia-Pacific office market in 2026, with Bengaluru, Hyderabad, and Delhi-NCR projected to deliver the highest net addition of Grade-A office space in the region. Bengaluru is expected to add 13.09 million sq ft, Hyderabad 9.25 million sq ft, and Delhi-NCR 8.98 million sq ft, surpassing major Asian cities like Shanghai, Shenzhen, and Beijing. Mumbai will add over 4.3 million sq ft.

https://economictimes.indiatimes.com/industry/services/property-/-cstruction/india-set-to-lead-in-asia-pac-office-supply-next-year/articleshow/124709912.cms

Energy

Russia continues oil shipments to India, TASS cites foreign ministry

Russian Deputy Foreign Minister Andrey Rudenko said that Russian oil companies continue to ship oil to India, state news agency TASS reported on Monday. U.S. President Donald Trump reiterated on Sunday that Indian Prime Minister Narendra Modi told him India will stop buying Russian oil, while warning that New Delhi would continue paying "massive" tariffs if it did not do so.
https://www.business-standard.com/economy/news/russia-continues-oil-shipments-to-india-tass-cites-foreign-ministry-125102000470_1.html

Telecom

Satellite internet players face higher fees as DoT proposes 5% AGR charge

The Indian government is reportedly planning to increase the fees satellite internet companies pay for spectrum use. The Department of Telecommunications (DoT) is expected to recommend that satellite operators pay 5 per cent of their adjusted gross revenue (AGR), up from the 4 per cent suggested earlier by the Telecom Regulatory Authority of India (Trai), according to a report by The Economic Times. If approved by the Cabinet, this could affect both global players like Elon Musk's Starlink and Amazon Kuiper, as well as domestic satellite ventures.
https://www.business-standard.com/industry/news/dot-satellite-spectrum-use-fee-agr-revenue-trai-starlink-kuiper-125102000240_1.html

States

Govt aims to boost aquaculture in northern states

The government is considering expanding saline water aquaculture in northern states including Punjab, Haryana, Uttar Pradesh and Rajasthan, as it looks to repurpose salt-affected farmland for fish farming. Officials from the Department of Fisheries said saline intrusion in these regions offers an opportunity for land-use optimisation through aquaculture. For FY25, the department has approved projects covering over 263 hectares—exceeding the 200-hectare target—with a budgetary allocation exceeding ₹36 crore.
https://www.financialexpress.com/policy/economy-govt-aims-to-boost-aquaculture-in-northern-states-4016591/

UP plans solar projects worth ₹35,000 crore to reach 22,000 Mw by 2028

Public and private sector solar projects worth around ₹35,000 crore are expected to come up in Uttar Pradesh as the state is eyeing solar power capacity of 22,000 megawatts (Mw) by 2027-28. These projects include the development of seven solar energy parks of 3,700 Mw capacity across the state. "These solar power projects will be set up by leading renewable energy companies including National Hydroelectric Power Corporation (NHPC), Tehri Hydro Development Corporation Limited (THDC), Avaada Group etc," UP additional chief secretary, energy and alternative energy sources, Narendra Bhooshan told Business Standard.
https://www.business-standard.com/india-news/up-plans-solar-projects-worth-35-000-crore-to-reach-22-000-mw-by-2028-125102000421_1.html

Rajasthan govt distributes mustard seed minikits to 7,300 women farmers

Rajasthan's panchayati raj minister Madan Dilawar recently distributed mustard seed minikits to women farmers at a rural service camp organised in gram panchayat Deoli Kalan in Kota district. According to a senior official from the agriculture department, the free minikits are being distributed to 7,300 women farmers in Kota district to increase the per-acre production rate and productivity of mustard crops. He added that the minikit contains two kilograms of mustard seed. Among the eligible, women from the Scheduled Castes, Scheduled Tribes, and those who are small and marginal farmers are being prioritised.
https://www.business-standard.com/industry/agriculture/rajasthan-govt-distributes-mustard-seed-minikits-to-7-300-women-farmers-125102000622_1.html

External

UK businesses accelerate India expansion plans post-FTA: Report

Several UK businesses see the Free Trade Agreement (FTA) with India as a "game-changer" as they accelerate expansion plans and a majority of firms without a presence move to enter the market, according to a new report. According to Grant Thornton's latest International Business Report' (IBR) analysis from last week, 72 per cent of UK firms now identify India as a key market for international growth, up from 61 per cent last year, signalling India's "shift to the centre of global strategy conversations".
https://www.business-standard.com/industry/news/uk-businesses-accelerate-india-expansion-plans-post-fta-report-125102000594_1.html

EU council announces new strategy to deepen political, economic & security ties with India

The European Union (EU) Council on Monday announced a new strategy to deepen political, economic, and security ties with India. This is a significant moment in EU-India relations, expanding cooperation across multiple domains — from trade and technology to defence and sustainable development. The EU Council has adopted conclusions endorsing a new strategic EU-India agenda, reaffirming its commitment to deepening bilateral relations across key sectors. The Council acknowledged the strong momentum in EU-India ties and emphasized the importance of advancing cooperation in security and defence, anchored in principles of mutual trust and respect.
https://economictimes.indiatimes.com/news/economy/foreign-trade/eu-council-announces-new-strategy-to-deepen-political-economic-security-ties-with-india/articleshow/124708096.cms

Brazil's President Lula announces plan for 'strategic alliance' with India to boost political, economic ties

Brazilian President Luiz Inacio Lula da Silva has announced plans to form a "strategic alliance" with India aimed at fostering political, economic, and technological cooperation between the two nations. In a video message posted on X on Saturday (local time), following the conclusion of Vice President Geraldo Alckmin's recent visit to India, Lula emphasised the importance of strengthening bilateral ties with New Delhi.
https://www.financialexpress.com/world-news/brazils-president-lula-announces-plan-for-strategic-alliance-with-india-to-boost-political-economic-ties/4016000/

India's counter-tariff strategy begins to show results

Indian exports face challenges from US tariffs. However, India is successfully diversifying its export markets. This strategy is showing positive results, with growth in many countries. While some sectors are impacted, overall export performance remains resilient. India is turning trade barriers into opportunities for long-term gain.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-us-trade-trump-tariffs-impact-export-diversification-2025-counter-tariff-strategy-begins-to-show-results/articleshow/124701253.cms

India rapidly emerging as global hub for services exports, says NSE

India is rapidly emerging as a global hub for services exports with a compound annual growth rate of 14.8 per cent outpacing goods exports, which grew at 9.8 per cent, NSE officials said. The National Stock Exchange (NSE) highlights robust growth in the services sector, structural reforms, and demographic advantages driving the country's economic transformation. "India will be to services, what China has been to manufacturing. It is emerging as global hub for services exports," NSE Chief Economist Tirthankar Patnaik said.
https://www.business-standard.com/industry/news/india-rapidly-emerging-as-global-hub-for-services-exports-says-nse-125102000614_1.html

Government must protect market from Chinese dumping: MPC's Nagesh Kumar

The Centre needs to step in to protect the domestic market from dumping by Chinese exporters, Monetary Policy Committee (MPC) member Nagesh Kumar told ET, while urging local companies to premiumise through R&D investments. "We should also protect the domestic market, especially in labour intensive industries, from the dumping of cheap Chinese goods. This has become a serious issue in the Southeast Asian countries, too, like Thailand and Indonesia, which have begun taking action," Kumar said in an interview. "India should also act to contain the damage."

https://economictimes.indiatimes.com/news/economy/policy/government-must-protect-market-from-chinese-dumping-mpcs-nagesh-kumar/articleshow/124709827.cms

US, Australia sign agreement on critical-minerals as way to counter China

President Donald Trump and Australian Prime Minister Anthony Albanese signed a critical-minerals deal at the White House on Monday as the US eyes the continent's rich rare-earth resources when China is imposing tougher rules on exporting its own critical minerals abroad. The two leaders described the agreement as a $8.5 billion deal between the allies. Trump said it had been negotiated over several months. In about a year from now we'll have so much critical mineral and rare earth that you won't know what to do with them," said Trump, a Republican, boasting about the deal. "They'll be worth $2.

https://www.business-standard.com/world-news/us-australia-sign-agreement-on-critical-minerals-as-way-to-counter-china-125102100018_1.html