

October 28, 2025 – Tuesday

Economy

Economy accelerated in Q2FY26, momentum to sustain: Finance Ministry

Demand conditions across rural and urban India have improved through the second quarter (Q2) of 2025-26 (FY26), and the momentum gained in Q2 is expected to continue in the upcoming months, driven by resilient domestic economic activity and stronger demand supported by goods and services tax (GST) reforms, the Finance Ministry said on Monday. Despite a fog of uncertainty shrouding the global economy and lingering trade policy uncertainty, the ministry's monthly economic review for September noted that India's trade performance in H1FY26 reflects steady momentum and resilience, citing a 3 per cent rise in merchandise exports and a 6.1 per cent uptick in services exports.

https://www.business-standard.com/economy/news/growth-momentum-india-economy-finmin-report-fy26-gdp-forecast-125102700744_1.html

New GDP series to map India's digital economy and gig sector

India is set to launch a new GDP series next year, shifting its base year to 2022-23 to better capture the nation's burgeoning digital economy. This updated series will incorporate richer data from e-commerce, gig work, and digital payments, offering a more detailed reflection of economic transformation.

https://economictimes.indiatimes.com/news/economy/indicators/new-gdp-series-to-map-indias-digital-economy-and-gig-sector/articleshow/124847010.cms

Business sentiments moderated in Q2 due to global headwinds: NCAER survey

Business sentiments moderated in the second quarter of the 2025-26 after improving for three consecutive quarters due to global uncertainties, particularly the US policies including the imposition of additional tariffs, hike in H1-B visa fees, and tariffs on branded and patented pharmaceuticals, according the NCAER Business Expectations Survey for India, released on Monday.

https://www.financialexpress.com/policy/economy-business-sentiments-moderated-in-q2-due-to-global-headwinds-ncaer-survey-4023178/

MSME confidence dips modestly on US tariffs; optimism steady for Q3

The reading on the Business Conditions Index for MSMEs declined to 61.64 for the July–September 2025 quarter (Q2FY26) from 63.75 in the April–June period (Q1FY26), showing a modest dip in confidence, according to SIDBI's Business Outlook Survey. The survey, covering 1,200 micro, small, and medium enterprises (MSMEs), indicated a slight moderation in business optimism among Indian firms, which may be attributed to emerging global challenges such as US tariff measures and other external economic pressures. Nevertheless, MSMEs continue to show resilience, with all three sectoral indices — manufacturing, services, and trading — well above the expansion threshold of 50. Sector-wise, manufacturing and services maintained steady optimism, while trading showed more volatility, it added.

https://www.business-standard.com/economy/news/sidbi-msme-business-confidence-dips-us-tariffs-q2fy26-survey-125102701244_1.html

Finance

Banks prefer direct assignment with NBFCs despite colending relaxations

Despite the recent relaxation in colending norms, banks are likely to maintain their preference for direct assignment with non-banking financial companies (NBFCs) rather than colending arrangements. Industry experts suggest that while colending volumes among NBFCs are expected to grow, driven by operational synergies and flexible structures, banks will continue to favour direct assignment, said industry experts.
https://www.business-standard.com/economy/news/banks-prefer-direct-assignment-with-nbfcs-despite-colending-relaxations-125102701152_1.html

Govt plans to hike foreign investment cap in PSBs to 49%, says report

India is planning to allow direct foreign investment in state-run banks of up to 49%, more than double current limits, according to a person directly involved in the policy discussions. The finance ministry has been discussing the matter with the Reserve Bank of India (RBI), the country's banking sector regulator, over the past couple of months, said the person, adding that the proposal has yet to be finalised.
https://www.business-standard.com/finance/news/govt-plans-to-hike-foreign-investment-cap-in-psbs-to-49-says-report-125102700641_1.html

RBI panel backs cash-flow based lending, digital tools to boost MSME credit

A Reserve Bank of India advisory committee suggested cash-flow based lending and digital solutions like TReDS can improve MSME credit linkage. The committee also emphasized addressing information asymmetry, financial literacy, and delayed payments to promote fair lending and rehabilitation of viable distressed units.
https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-panel-backs-cash-flow-based-lending-digital-tools-to-boost-msme-credit/articleshow/124852518.cms

Need to promote wider use of digital solutions: RBI Deputy Governor

To address challenges such as information asymmetry, financial literacy gaps, and delayed payments, the focus should be on promoting wider adoption of digital solutions, said Reserve Bank of India (RBI) Deputy Governor Swaminathan Janakiraman while chairing the 30th Standing Advisory Committee (SAC) meeting to review the flow of credit to micro, small, and medium enterprises (MSMEs). The deputy governor said that digital platforms such as the Trade Receivables Discounting System (TReDS) encourage alternative credit assessment models and ensure fair, transparent, and empathetic lending practices for the rehabilitation of distressed but viable units.
https://www.business-standard.com/finance/news/need-to-promote-wider-use-of-digital-solutions-says-rbi-deputy-governor-125102701219_1.html

NBFCs' two-wheeler loan portfolio to grow 18-19% in FY26: CareEdge

The two-wheeler (2W) loan portfolio of Non-banking finance companies (NBFCs) in India is expected to grow at 18-19 per cent in the current financial year (Fy26), similar to the level seen in Fy25. This moderation is a consequence of financiers cautious approach to building loan books in the wake of general rise in asset quality stress, according to CareEdge Ratings. NBFCs dominate the 2W finance market with a 68.5 per cent share in FY25, driven by targeted segmentation of untapped, higher-yield borrowers and captive NBFCs leveraging synergies with parent companies.
https://www.business-standard.com/industry/auto/nbfcs-two-wheeler-loan-portfolio-to-grow-18-19-in-fy26-careedge-125102701120_1.html

SEBI to allow debt issuers to offer sops for retail investors

Capital market regulator SEBI plans to permit debt issuers to offer higher coupon rate or discount to the issue price to certain categories of allottees such as senior citizens, women, armed forces personnel and retail subscribers to encourage retail participation in debt securities, while providing a fillip to the number of public issuances in the debt market.
https://www.thehindubusinessline.com/markets/sebi-to-allow-debt-issuers-to-offer-sops-for-retail-investors/article70208572.ece

SEBI hikes eligibility threshold for high value debt listed entities

Securities and exchange Board of India (SEBI) has proposed raising the threshold for identifying high value debt-listed entities (HVDLE) by five times to an outstanding value of ₹5000 crore, while also relaxing other corporate governance and related party norms for smaller issuers. These are part of its measures to align corporate governance norms for HVDLE with that prescribed for equity-listed entities, according to the consultation paper on the issue.
https://www.thehindubusinessline.com/markets/sebi-hikes-eligibility-threshold-for-high-value-debt-listed-entities/article70209030.ece

Rupee weakens due to persistent demand for dollar among importers

The rupee weakened by 0.4 per cent against the dollar on Monday due to persistent demand for dollars among importers. Additionally, traders unwound long positions after the rupee fell past 88 per dollar mark, which further weighed on the local currency. The rupee settled at 88.25 per dollar against the previous close of 87.85 per dollar.
Market participants said that earlier optimism over the US move to reduce India's tariff rates below 20 per cent had briefly strengthened the currency to 87.60 during the week. However, the gains were short-lived as foreign portfolio investors (FPIs) continued to sell equities and the currency.
https://www.business-standard.com/economy/news/rupee-weakens-due-to-persistent-demand-for-dollar-among-importers-125102701126_1.html

Industry

Indian tech sector records deals worth $1.48 billion in Q3: Report

India's technology sector recorded deals worth USD 1.48 billion in the third quarter of 2025, marking a strategic reset move from volume-led activity to value-driven investments, with improved investor interest in AI, SaaS and enterprise automation, according to a report by Grant Thornton Bharat. The number and value of deals exceeding USD 50 million rose sharply, with high-value transactions quadrupling in volume and increasing more than fivefold in value compared to the previous quarter.
https://www.business-standard.com/industry/news/indian-tech-sector-records-deals-worth-1-48-billion-in-q3-report-125102700896_1.html

Domestic demand, GST cut to drive 8-10% growth for fleet firms: Crisil

Fleet operators' revenues are projected to grow 8-10 per cent in FY26, supported by strong domestic and import-related demand, according to Crisil Ratings. The sector has recorded a compound annual growth rate (CAGR) of 12-13 per cent over four years through FY25. Growth momentum is expected to sustain this fiscal despite modest export performance. Crisil's analysis of 40 fleet operators, which account for about a fourth of the industry's revenues, indicates that higher domestic consumption and freight-intensive activities will continue to drive volumes. Export-linked demand, however, remained subdued due to the recently announced US tariffs. Even so, fleet utilisation is projected to increase to 86-87 per cent in FY26 from 85 per cent last year, keeping operating margins steady at 8-8.5 per cent.
https://www.business-standard.com/industry/news/crisil-fleet-operators-fy26-revenue-growth-gst-cut-domestic-demand-125102700892_1.html

Agriculture

Centre approves ₹15,000 crore pulses, oilseeds procurement plans

The Centre on Monday announced that it has approved procurement of moong (green gram), urad (black gram), tur (red gram) and soybeans at their respective minimum support prices (MSPs) in Telangana, Odisha, Maharashtra, and Madhya Pradesh at an estimated expenditure of over ₹15,000 crore. However, there will be physical procurement of these pulses and oilseeds in these States, except Madhya Pradesh, where the differential amount between MSP and "government-determined" market price will be paid to the farmers in their bank accounts under Price Difference Payment Scheme (PDPS), a sub-scheme of PM-AASHA.
https://www.thehindubusinessline.com/economy/agri-business/centre-approves-15000-crore-pulses-oilseeds-procurement-plans/article70209216.ece

Infrastructure

India to boost local fleet to achieve shipbuilding self-reliance: Sonowal

India is eyeing self-reliance in shipbuilding by increasing its domestic fleet and aims to be among the top-five nations in the segment by 2047, Sarbananda Sonowal, minister of ports, shipping and waterways, said on Monday. “Since we do not have ships, we pay $70-75 billion every year to foreign shipping firms. We will increase our own fleet and flagged ships so that we can save ₹4-5 trillion every year. That is our aim to become self-reliant,” Sonowal said, speaking at the India Maritime Week 2025 (IMW 2025) in Mumbai.
https://www.business-standard.com/industry/news/india-aims-for-self-reliance-in-shipbuilding-to-expand-domestic-fleet-125102701051_1.html

India's green building market to reach $85 bn by FY32: Equirus Capital

India’s green building market is expected to expand at a compound annual growth rate (CAGR) of 10.5 per cent through FY32, reaching an estimated $85 billion, driven by surging demand for certified spaces from investors and tenants amid tightening supply, according to data from Mumbai-based investment bank Equirus Capital. Over the past five and a half years, the supply of certified green spaces entering the market was nearly three times that of non-certified properties. During the same period, absorption in certified buildings was about 1.75 times higher, underscoring occupiers’ growing preference for sustainable spaces. Between 2020 and the first half of 2025, leasing activity in certified buildings exceeded new supply by around 6 per cent, intensifying competition for green assets.
https://www.business-standard.com/industry/news/green-building-market-india-growth-forecast-equirus-capital-fy32-125102700726_1.html

Energy

CoalMin proposes escrow fund for underground coal gasification blocks

The coal ministry on Monday issued draft guidelines for preparation of mining and mine closure plans for underground coal and lignite gasification (UCG) blocks, mandating pilot feasibility study, real-time groundwater monitoring, and an escrow fund for mine closure. The draft, which sets a regulatory framework for in-situ gasification of coal and lignite, invites stakeholder comments within 30 days.
https://www.business-standard.com/economy/news/coal-ministry-draft-guidelines-underground-coal-gasification-escrow-fund-125102701100_1.html

India boosts US crude oil imports to 540,000 bpd, highest since 2022

India imported 540,000 barrels per day (bpd) of crude oil from the United States (US) in October, its highest since 2022, according to data from maritime intelligence firm Kpler as of October 27. According to US export data, October is expected to close at around 575,000 barrels per day (bpd), while November is projected to reach between 400,000 and 450,000 bpd, marking a sharp rise from the year-to-date average of about 300,000 bpd.
https://www.business-standard.com/economy/news/india-boosts-us-crude-oil-imports-to-540-000-bpd-highest-since-2022-125102701245_1.html

India’s green shift may accelerate coal power retirement by 2030

India is poised to phase out its oldest, most polluting coal power plants by 2030, according to Tata Power's CEO. This transition will be supported by a surge in renewable energy, including storage solutions, enhancing grid stability. While coal remains dominant, the nation is rapidly expanding clean energy capacity, though demand growth and climate variability present challenges.
https://economictimes.indiatimes.com/industry/renewables/indias-green-shift-may-accelerate-coal-power-retirement-by-2030/articleshow/124853294.cms

States

AP sets up Data Centre Advisory Council to achieve 6,000 MW capacity by 2030

Backed by the recent Google AI Data Centre investment in Visakhapatnam, the Andhra Pradesh Government has constituted a Data Centre Advisory Council to achieve a data centre capacity of 6,000 MW by 2030. “The Council’s formation builds on the Andhra Pradesh Data Centre Policy 4.0 and is calibrated to translate marquee

announcements - including Google's 1 GW and Sify Infinity's 550 MW - into accelerated development of data centres in the State," a senior official has said.
https://www.thehindubusinessline.com/info-tech/ap-sets-up-data-centre-advisory-council-to-achieve-6000-mw-capacity-by-2030/article70208621.ece

Rajasthan govt planning two policies to boost tourism, employment

The Rajasthan tourism department is likely to announce two policies to boost tourism infrastructure, generate employment opportunities, and make the state a film shooting hub, besides chalking out plans to promote its rich handicrafts and handlooms. The department is planning to introduce Rajasthan Film Tourism Promotion Policy, which will include ways of easing the processes involved in obtaining approvals for film shooting and disbursement of subsidies. This will be the second attempt to introduce such a policy in the state. According to a tourism department official, the first dedicated policy for film tourism was introduced in 2022.
https://www.business-standard.com/industry/news/rajasthan-govt-planning-two-policies-to-boost-tourism-employment-125102700943_1.html

Tamil Nadu leads with ₹4,271 crore under electronics component scheme

Giving Tamil Nadu an edge over other states in electronics components manufacturing, the state has secured five out of seven projects approved so far under the first round of the Electronics Component Manufacturing Scheme (ECMS) of the Union Government, worth around Rs 4,271 crore. The state is targeting to attract about 30 per cent of the total investments under the scheme. "Tamil Nadu is the top state in the first round of the Electronics Component Manufacturing Scheme of the Union Government, with five out of the seven approved projects so far. In this round, Tamil Nadu leads with 77 per cent of total investments approved," said State Industries Minister T R B Rajaa.
https://www.business-standard.com/industry/news/tamil-nadu-leads-electronics-component-manufacturing-scheme-investments-125102701295_1.html

GCC, energy among projects worth ₹5 trillion lined up for launch in UP

The Uttar Pradesh government has lined up private investment projects worth ~5 trillion for the proposed 5th Ground Breaking Ceremony (GBC), likely to be inaugurated by Prime Minister Narendra Modi next month. These projects span key sectors including green energy, infrastructure, manufacturing, services, Global Capability Centres (GCC), tourism and others. The congregation of domestic and global investors is expected to strengthen the state's ambition of becoming a $1 trillion economy by 2030 through a strong push to manufacturing, services and allied services.
https://www.business-standard.com/industry/news/up-govt-lines-up-5-trillion-private-projects-for-5th-gbc-next-month-125102700772_1.html

External

EU Parliamentary trade delegation in India to discuss FTA progress

A delegation of seven Members of the European Parliament's Committee on International Trade is on a three-day visit to India until Wednesday to discuss trade, economic, and investment relations between the European Union (EU) and India. The visit comes just a couple of months ahead of the deadline to conclude negotiations for the India-EU free trade agreement (FTA) by the end of 2025.
https://www.business-standard.com/economy/news/eu-parliamentary-delegation-india-visit-trade-talks-fta-negotiations-125102701135_1.html

Jaishankar, Rubio discuss trade talks

External Affairs Minister S Jaishankar met US Secretary of State Marco Rubio in Kuala Lumpur. They discussed regional geopolitics and global issues. West Asia and Ukraine were key topics. Energy ties and trade deal progress were also on the agenda. The meeting covered bilateral ties and broader international matters.
https://economictimes.indiatimes.com/news/economy/foreign-trade/jaishankar-rubio-discuss-trade-talks/articleshow/124858087.cms

Sweden wants to double trade & investments with India over next five years: Envoy

Sweden is enhancing its footprint in India. According to Ambassador Jan Thesleff, a five-year roadmap has been established to double the influx of Swedish investments and job opportunities. With more than 280 Swedish enterprises currently operational, emphasizing innovation and manufacturing, this growth aligns seamlessly with India's 'Make in India' initiative.
https://economictimes.indiatimes.com/news/economy/foreign-trade/sweden-wants-to-double-trade-investments-with-india-over-next-five-years-envoy/articleshow/124855699.cms

India, Germany discuss shared commitment to early conclusion of India–EU FTA

India and Germany reaffirmed their strategic partnership and commitment to an early conclusion of the India-EU free trade agreement during Commerce Minister Piyush Goyal's visit to Brussels. Discussions also covered market access, non-tariff measures, and regulatory cooperation as both sides aim to finalize the pact by December.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-germany-discuss-shared-commitment-to-early-conclusion-of-indiaeu-fta/articleshow/124852479.cms

At East Asia Summit, India flags concerns over 'constricted' energy trade, market access issues

India voiced serious concerns regarding restricted energy trade and market access issues. External Affairs Minister S Jaishankar highlighted selective norm application and growing supply chain unreliability. He also stressed a zero-tolerance policy towards terrorism. These remarks come amid India's procurement of Russian crude oil, a point of contention with the US.
https://economictimes.indiatimes.com/news/economy/foreign-trade/at-east-asia-summit-india-flags-concerns-over-constricted-energy-trade-market-access-issues/articleshow/124853750.cms

Govt plans Bharat Aayat Niryat Lab Setu to link exim testing, inspection agencies

India's foreign trade arm, DGFT, is launching a pilot of Bharat Aayat Niryat Lab Setu. This digital platform will connect testing and inspection agencies nationwide. Exporters and importers can submit applications for product testing from November 11. The system aims to speed up certification, improve traceability, and boost trust in India's quality standards.
https://economictimes.indiatimes.com/news/economy/foreign-trade/dgft-plans-to-launch-digital-platform-to-integrate-testing-inspection-agencies/articleshow/124852534.cms

EOUs, SEZ units exempt from silver import restrictions: DGFT

The government has clarified that recent restrictions on silver jewellery imports do not apply to export-linked entities like SEZs and EOUs. Imports by these units, however, cannot be sold in the Domestic Tariff Area. This clarification follows industry representations and aims to exempt specific authorization schemes.
https://economictimes.indiatimes.com/news/economy/foreign-trade/eous-sez-units-exempt-from-silver-import-restrictions-dgft/articleshow/124852416.cms

India advances anti-dumping probe into tuberculosis drug imports from China, Thailand

India is investigating imports of a key tuberculosis drug ingredient. The Directorate General of Trade Remedies is looking into Ethambutol Hydrochloride from China and Thailand. Domestic drugmaker Lupin Ltd filed the complaint. The probe aims to counter unfairly low prices hurting Indian producers. Findings could lead to anti-dumping duties.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-advances-anti-dumping-probe-into-tuberculosis-drug-imports-from-china-thailand/articleshow/124850392.cms

Smartphone exports hit a new record of $1.8 billion in September

Smartphone exports hit a new record in September this year, with exports touching $1.8 billion — an increase of 100 per cent, the highest ever jump in a single month for smartphone exports — from $923 million in the same month of 2024. In fact, September this year saw a jump not just over the same month last year but across last three years when India averaged approximately $900 million each year in the month since 2022-23 (FY23).
https://www.business-standard.com/industry/news/smartphone-exports-hit-a-new-record-of-1-8-billion-in-september-125102700962_1.html

Rice exporters seek deals with emerging markets after strong monsoon

India's rice traders plan to seek export deals for the new season's crop with buyers in emerging markets such as Iraq, Indonesia and Saudi Arabia, a top industry official said, after above-average monsoon rains boosted output.

"India is already a major player in the global rice trade, and our aim now is to tap buyers in less-served markets to further boost exports at a time when production and stocks are strong," Dev Garg, vice president of the Indian Rice Exporters Federation, said on Monday.

https://www.business-standard.com/economy/news/rice-exporters-seek-deals-with-emerging-markets-after-strong-monsoon-125102700959_1.html