

December 02, 2025 – Tuesday

Economy

IIP growth slips to 14-month low of 0.4% in October as output weakens

India's industrial production growth slowed to a 14-month low of 0.4 per cent in October, down from an upwardly revised 4.6 per cent in September, due to fewer working days and a sharp decline in electricity generation, according to data released by the National Statistics Office (NSO) on Monday. The last time Index of Industrial Production (IIP) growth was lower than October's was in August 2024, when output had flattened. In October 2024, growth in IIP had stood at 3.7 per cent. In the first seven months of the current financial year (April–October), average IIP growth was 2.7 per cent, compared with 4 per cent in the same period of the previous financial year.
https://www.business-standard.com/economy/news/iip-october-2025-slowest-growth-14-months-industrial-production-125120101201_1.html

US tariffs weigh as manufacturing PMI slows to 9-month low in November

Manufacturing sector activity slowed to a nine-month low in November as US tariffs dragged down export orders with the goods and services tax (GST) rate cut impact also fading, showed a private survey on Monday. The headline HSBC purchasing managers index (PMI) for November, compiled by S&P Global, fell sharply to 56.6 from 59.2 in October. Earlier in February, the headline manufacturing PMI had stood at 56.3.
https://www.business-standard.com/economy/news/us-tariffs-weigh-as-manufacturing-pmi-slows-to-9-month-low-in-november-125120100716_1.html

India's current account deficit moderates to 1.3% of GDP in Q2FY26

India's current account deficit (CAD) moderated to $12.3 billion, or 1.3 per cent of gross domestic product (GDP), during the quarter ended September 2025 (Q2FY26) from $20.8 billion (2.2 per cent of GDP) a year ago. The decline was aided by narrowing of merchandise trade deficit and robust remittances from Indians working overseas, Reserve Bank of India (RBI) data showed.
https://www.business-standard.com/economy/news/india-cad-moderates-q2-2025-gold-imports-icra-forecast-125120101317_1.html

Centre working on national gig-worker welfare blueprint under Labour Codes

The Union labour ministry is drafting a national framework under the recently notified Labour Codes to set uniform social security standards and prevent conflicting state rules for millions of platform-based gig workers, according to official sources. "Gig work is highly flexible and mobile in nature. Workers usually work with multiple platforms and at several locations. Instead of dealing of state laws, platform aggregators are asking the Centre to come up with a national framework on providing social security to them as they also have operations across multiple locations," said a source.
https://www.business-standard.com/economy/news/centre-working-on-national-gig-worker-welfare-blueprint-under-labour-codes-125113000500_1.html

Finance

RBI guv unveils 5-year financial inclusion strategy

Reserve Bank of India Governor Sanjay Malhotra on Monday formally released the national strategy for financial inclusion (NSFI) 2025-30 at the 32nd meeting of the sub-committee of the Financial Stability and Development Council (FSDC-SC). The NSFI 2025-30 aims to deepen the financial inclusion ecosystem, and the new strategy shifts the focus from access to effective usage of financial services, ensuring resilience, security, and well-being.
https://www.financialexpress.com/business/banking-finance-rbi-guv-unveils-5-year-financial-inclusion-strategy-4062213/

CASA recovery in Q2 offers relief to banks

After hitting a low in the first quarter of FY26, CASA (current account, savings account) ratio of banks have started to make a comeback from the second quarter. According to data from 29 PSU and private sector banks, CASA has improved 23 basis points to 36.38%. Banks, especially state-run banks, are confident that the worst is behind them in terms of CASA. Both SBI Chairman CS Setty and Ashok Chandra, MD & CEO, PNB in analysts' calls expressed confidence that this number will gradually improve and the momentum will sustain in the second half of FY26.
https://www.financialexpress.com/business/banking-finance-casa-recovery-in-q2-offers-relief-to-banksnbsp-4062069/

Government says no PSU bank mergers under consideration

There is presently no proposal on merger or consolidation of state-owned banks before the government, Parliament was informed on Monday. "Presently, no proposal on merger or consolidation of Public Sector Banks (PSBs) is under consideration of the Government," Minister of State for Finance Pankaj Chaudhary said in a written reply in the Lok Sabha.
https://www.thehindubusinessline.com/money-and-banking/government-says-no-psu-bank-mergers-under-consideration/article70346560.ece

RBI Ombudsman complaints rise 13.6% in FY25, led by loan and card issues

The complaints registered under the Reserve Bank of India's Integrated Ombudsman Scheme (RB-IOS) were up by 13.55 per cent to 1.33 million in FY25 from 1.18 million in FY24, according to the RBI's Annual Report of the Ombudsman Scheme. The central bank received complaints through the Office of the Reserve Bank of India Ombudsman (ORBIO) and the Centralised Receipt and Processing Centre (CRPC). In FY25, ORBIO received nearly 0.30 million complaints, 0.82 per cent higher than the previous year.
https://www.business-standard.com/finance/news/rbi-ombudsman-complaints-fy25-rise-loans-credit-cards-125120101346_1.html

FDI rises 18% to $35.18 billion in H1FY26; down 11.1% in Q2 from Q1

Foreign direct investment (FDI) in India rose 18 per cent to $35.18 billion during April-September this fiscal year, while the inflow from the US more than doubled to $6.62 billion during the first half of this financial year, according to government data released on Monday. Foreign Direct Investment (FDI) during April-September FY24 stood at $29.79 billion. During the September quarter of 2025-26, the inflows increased by over 21 per cent year-on-year to $16.55 billion.
https://www.business-standard.com/economy/news/fdi-rises-18-to-35-18-billion-in-april-sept-inflows-more-than-double-125120101076_1.html

Net GST Collection sees modest uptick at ₹1.52 trillion in November

Net Revenues from the Goods and Services Tax (GST) rose 1.3 per cent in November to ₹1.52 trillion as compared to the same period last year, according to the data released by the government. The GST Compensation Cess collections slipped a sharp 69.06 per cent to ₹4,006 crore from nearly ₹13,000 crore a year ago. Gross GST revenues for November, which represent taxes paid for transactions concluded in October, were up 0.7 per cent at ₹1.7 trillion, but revenues from domestic transactions in the first full month of the revised GST rate structure slipped 2.3 per cent from last year to ₹1.24 trillion. Gross revenues from imports grew 10.2 per cent.

https://www.business-standard.com/economy/news/net-gst-collection-sees-modest-uptick-at-1-5-trillion-in-november-125120100657_1.html

Govt seeks Parliament nod for ₹41k crore additional spending in FY26

Union Finance Minister Nirmala Sitharaman on Monday sought the Parliament's nod for net additional spending of ₹41,455 crore for 2025-26 (FY26), which includes ₹28,000 crore for fertiliser and petroleum subsidies. While the first supplementary demands for grants tabled in the Lok Sabha seek approval for a gross additional expenditure of ₹1.32 trillion, spending of ₹90,812 crore will be matched by the savings of ministries and departments.
https://www.business-standard.com/economy/news/govt-seeks-parliament-nod-for-41k-crore-additional-spending-in-fy26-125120101035_1.html

Industry

Govt may relax rules under PLI scheme for ACC battery output after delays

The government's plan to push the manufacturing of advanced chemistry cells (ACCs), which are the batteries used in electric vehicles and other industrial uses, under its production-linked incentive (PLI) scheme is likely to change, according to a report by Mint. The changes are being planned as the scheme did not work as expected. Heavy Industries Minister HD Kumaraswamy told Mint that the goal was to build 50 gigawatt-hours (GWh) of battery capacity by December 2024, but by June this year, only 1.4 GWh was ready.
https://www.business-standard.com/industry/news/pli-acc-battery-scheme-relaxation-govt-considers-deadlines-localisation-delays-125120100362_1.html

Steel panel meets companies on import substitution of high-value products

In a bid to bolster local industry, a parliamentary committee is advocating for the domestic production of essential steel components. Leading manufacturers gathered to strategize on replacing imports of premium materials essential for transformers and automotive manufacturing. The emphasis is on fostering independence within these vital sectors.
https://economictimes.indiatimes.com/news/economy/foreign-trade/steel-panel-meets-companies-on-import-substitution-of-high-value-products/articleshow/125700860.cms

Govt gives smartphone makers 90 days to preload govt cyber security app

The Ministry of Communications has reportedly directed smartphone makers to pre-install a government-owned cyber security app on all new devices, and ensure users cannot delete it. The move, detailed in an order reviewed by Reuters, is expected to raise concerns for Apple and privacy advocates. India, one of the world's biggest phone markets with more than 1.2 billion subscribers, launched the Sanchar Saathi app in January. Government data shows the platform has helped recover over 700,000 lost phones, including 50,000 in October alone.
https://www.business-standard.com/industry/news/india-smartphone-makers-deadline-sanchar-saathi-cyber-security-app-apple-125120100446_1.html

Domestic PV wholesales rose 21% in November, fuelled by GST cuts

Domestic wholesales of passenger vehicles (PVs) stood at around 425,000 units in November — a year-on-year (Y-o-Y) surge of around 20.7 per cent — owing to reduced prices after the recent goods and services tax (GST) rationalisation. "The market is still very bullish. The demand is so strong that for eight models, we have no units in our factories to dispatch to dealers," said Partho Banerjee, senior executive officer, marketing & sales, Maruti Suzuki India (MSIL), during a video press conference.
https://www.business-standard.com/industry/auto/domestic-pv-industry-grows-20-7-in-november-on-lower-post-gst-prices-125120101189_1.html

Agriculture

62% of area under Indian rabi crops covered so far as wheat coverage gains 17%

Helped by an early start and conducive weather, farmers in India have completed planting of winter (rabi) crops on 62 per cent of the normal area this year, as per the latest data of the Agriculture Ministry. While 97 cent of the

normal area under mustard, the key oilseed crop of the rabi season, has been covered, in the case of chana (gram) and wheat, 62 per cent and 60 per cent, respectively, of the normal area has been covered.
https://www.thehindubusinessline.com/economy/agri-business/62-of-area-under-indian-rabi-crops-covered-so-far-as-wheat-coverage-gains-17/article70346009.ece

Agrochemical industry to witness 6-7% revenue growth in 2025-26: Report

The agrochemical industry's revenue is expected to grow 6-7 per cent this financial year driven by a revival in global demand and the normalisation of inventories, just as domestic offtake slows following an extended monsoon, a report said on Monday. The report by Crisil Ratings stated that improved farm sentiment globally will drive up export revenue by 8-9 per cent this fiscal but domestic demand will see the perils of excess rainfall causing crop damage, product returns and delayed field readiness.
https://www.business-standard.com/industry/agriculture/agrochemical-industry-to-witness-6-7-revenue-growth-in-2025-26-report-125120100795_1.html

Energy

Power consumption down 0.8% in November

India's power consumption saw a dip in November. This marks the second month in a row with reduced demand. Favourable weather conditions are the main reason for this trend. Experts point to cooler temperatures reducing the need for cooling. The India Meteorological Department noted weather impacts across several regions.
https://economictimes.indiatimes.com/industry/energy/power/power-consumption-down-0-8-in-november/articleshow/125702899.cms

Centre simplifies approval process for exploration of coal, lignite

The coal ministry has revised and simplified the approval process for exploration programmes and geological reports related to coal and lignite blocks, a move aimed at enhancing ease of doing business and giving a fillip to efficient and sustainable exploration. The new process does not require a go-ahead from the government panel set up in 2022 for this purpose.
https://www.business-standard.com/industry/news/centre-simplifies-approval-process-for-exploration-of-coal-lignite-125120100529_1.html

Gas market reforms: Experts flag price sensitivity, weak pipeline network

Natural gas is used in various sectors including power generation, production of fertilizer, converted into compressed natural gas and piped natural gas among others. The government now aims to raise the share of natural gas in the country's energy basket to 15% by 2030, up from the current 6.2%.
https://www.financialexpress.com/business/news/gas-market-reforms-experts-flag-price-sensitivity-weak-pipeline-network/4061976/

Telecom

DoT tightens fraud rules: Pre-install Sanchar Saathi, bind OTT apps to SIM

The Department of Telecommunications (DoT) has asked all mobile handset makers to mandatorily pre-install the Sanchar Saathi application (app) in all their newer products, whether manufactured or imported for use in the country, ministry of communications said in a directions issued on November 28. In the letter sent to all handset manufacturers and importers, the artificial intelligence (AI) and digital intelligence unit of DoT said companies must pre-install the app and ensure that it is “readily visible and accessible to the end users at the time of first use or device setup”, and that its functionalities are not disabled or restricted. It also directed that the app “cannot be removed or disabled”.
https://www.business-standard.com/industry/news/telcos-dot-mandate-sms-otp-sanchar-saathi-preinstall-fraud-prevention-125120100951_1.html

States

Rs 56,826-cr released to states as capex loans

The Centre's 50-year interest-free loans for capital expenditure by the states reached Rs 56,826 crore so far in the current financial year, the finance ministry informed Parliament. The largest recipient of the interest-free capital expenditure loan so far this year is Uttar Pradesh, which has received about ₹8,465 crore to support a wide range of 482 approved projects across sectors. Following it is Assam, which has obtained roughly ₹5,042 crore for 229 projects, reflecting its strong utilisation of the scheme for infrastructure and development-led interventions. In the third position is Rajasthan, with around ₹4,113 crore released for 183 projects, indicating steady momentum in capital investment through the SASCI window.
https://www.financialexpress.com/policy/economy-rs-56826-cr-released-to-states-as-capex-loansnbsp-4062247/

Uttar Pradesh eyes global investment in BFSI, healthcare, manufacturing

Uttar Pradesh (UP) is wooing global investors to set up Global Capability Centres (GCCs) across domains, including Banking, Financial Services and Insurance (BFSI), digital services, healthcare and manufacturing, as part of its aim to become a $ 1 trillion economy by 2030. The Yogi Adityanath government is pitching UP as a major GCC hub, with Lucknow, Noida, Kanpur and Agra at the core of its pitch. Alok Kumar, principal secretary, UP Planning Department and nodal officer for the state's One Trillion Dollar Economy Mission, said the state is well positioned as one of the most competitive global destinations for GCCs.
https://www.business-standard.com/industry/news/uttar-pradesh-eyes-global-investment-in-bfsi-healthcare-manufacturing-125120100725_1.html

Healthcare

Govt invites fresh applications for the domestic production of bulk drugs under PLI scheme

The Department of Pharmaceuticals (DoP) has invited fresh applications under the performance-linked incentive (PLI) scheme for bulk drugs with an aim to boost the domestic production of broad-spectrum antibiotic meropenem and antiretroviral medication ritonavir. In a notice, DoP said that it's seeking applications from eight firms – four for each category – under the PLI Scheme for promotion of domestic manufacturing of critical key starting materials (KSMs), drug intermediates (DIs) and active pharmaceutical ingredients (APIs) in the country.
https://www.financialexpress.com/business/news/govt-invites-fresh-applications-for-the-domestic-production-of-bulk-drugs-under-pli-scheme/4062329/

Ministries split on drug data exclusivity

Government ministries are in talks over drug data protection rules. This issue involves domestic drug makers, global pharma giants, and patient advocates. Discussions are ongoing to find a balance. The outcome could impact access to affordable medicines for Indian patients. Investment deals are also linked to this decision. A final decision is pending.
https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/ministries-split-on-drug-data-exclusivity/articleshow/125702774.cms

Pharma exports set for healthy growth as innovator drugs go off patents in five years

Pharmaceutical exports are expected to continue on a healthy trajectory over the next few years with products worth over $250 billion poised to go off patents by 2030, said Pharmaceuticals Export Promotion Council (Pharmexcil) Vice-Chairman Bhavin Mehta. "We are going at around 5-6 per cent (data up to/inclusive of September) and I think growth will be sustained because ..... [the] next 5 years molecules almost of $250 billion are going off patent... All of the big guys are preparing to launch most of the molecules in the regulated markets," Mehta told businessline, indicating that exports could see a "good leap" as products go off-patent protection, there are more launches of generic versions of these products, making it available to more patients.
https://www.thehindubusinessline.com/companies/pharma-exports-set-for-healthy-growth-as-innovator-drugs-go-off-patents-in-five-years-pharmexcil-vice-chairman/article70346214.ece

External

India-Canada trade pact: Negotiations likely to begin afresh as agenda more ambitious

India and Canada are likely to start formal negotiations for a bilateral free trade agreement (FTA) by the first quarter of 2026 but the exercise would be from scratch and not a continuation of the talks that were suspended two years back as ambitions are higher, sources said. “This time both sides are more interested in a comprehensive economic partnership agreement (CEPA) which could be much wider in scope and likely include goods, services, investments and many other chapters. Earlier the trade talks were for a limited early progress trade agreement. The expansion was to happen later. Also, a lot of economic developments have happened in the last two years that need to be taken into account,” a source tracking the matter told businessline.
https://www.thehindubusinessline.com/economy/india-canada-trade-pact-negotiations-likely-to-begin-afresh-as-agenda-more-ambitious/article70346189.ece

Bilateral trade settlement in local currencies in textiles, chemicals, metals to aid intra-APAC trade

Asia Pacific economies are urged to boost local currency trade invoicing for goods like textiles and metals, potentially extending to services and finance. India Exim Bank highlights the need for interoperable digital systems and payment networks to facilitate seamless cross-border settlements. Regional cooperation and modernized infrastructure are key to enhancing trade efficiency and resilience.
https://economictimes.indiatimes.com/news/economy/foreign-trade/bilateral-trade-settlement-in-local-currencies-in-textiles-chemicals-metals-to-aid-intra-apac-trade/articleshow/125699203.cms

India weighs Mongolian coking coal imports despite transport hurdles, source says

India is exploring importing coking coal from Mongolia to diversify supplies, despite transport and geopolitical challenges. Currently reliant on Australia for over half its coal, India faces rising demand and is evaluating Mongolia’s high-grade, lower-cost coal via Russia or China routes, though logistics and potential Chinese restrictions pose hurdles.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-weighs-mongolian-coking-coal-imports-despite-transport-hurdles-source-says/articleshow/125686928.cms

Organic food exports: NE focus, cereals & millets drive growth

India aims to achieve $2 billion in organic food exports by 2030, with current exports reaching $665 million in 2024-25. The nation's organic production has surged to 46.99 lakh tonnes, driven by a 15% CAGR in cultivation area. The first Northeast India Organic Week is underway to boost regional organic potential.
https://economictimes.indiatimes.com/news/economy/foreign-trade/organic-food-exports-ne-focus-cereals-millets-drive-growth/articleshow/125697880.cms

India makes rare long-term soy purchases to secure cheap supply

Indian buyers have secured significant soybean oil purchases for April-July 2026, a rare move driven by a discount to palm oil. This strategy hedges against Indonesia's planned B50 biodiesel mandate, which is expected to tighten palm oil supplies and increase prices. Traders are also concerned about reduced sunflower oil output.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-makes-rare-long-term-soy-purchases-to-secure-cheap-supply/articleshow/125686351.cms