

December 11, 2025 – Thursday

Economy

ADB raises India's growth forecast by 70 bps to 7.2% on consumption boost

The Asian Development Bank (ADB) on Wednesday raised India's growth forecast for the financial year 2026 (FY26) by 70 basis points to 7.2 per cent, citing consumption boost driven by recent tax cuts. However, its growth projection for FY27 remained unchanged at 6.5 per cent. The upward revision by the Manila-based lender comes on the heels of India reporting an impressive 8.2 per cent GDP growth in the second quarter of FY26 (Q2FY26), the fastest in six quarters.

https://www.business-standard.com/economy/news/adb-raises-india-s-growth-forecast-by-70-bps-to-7-2-on-consumption-boost-125121001054_1.html

FM directs Ministries to carry sunset clause in all schemes; extends deadline to early January

The finance ministry has instructed all ministries and departments to set clear sunset clauses and timelines for every new centrally sponsored scheme (CSS). Existing schemes that will continue under the 16th Finance Commission cycle starting April 1, 2026 must also follow these rules, according to a report by Economic Times. The ministry has asked for extra details from ministries, including the reason for continuing any scheme, actual spending compared to budget over the past five years, the flow of funds from the central pool to the final beneficiary and the number of posts created just for the scheme, after appraising each CSS.

https://www.financialexpress.com/business/news/fm-directs-ministries-to-carry-sunset-clause-in-all-schemes-extends-deadline-to-early-january/4071739/

Top 10% own two-thirds of India's wealth, bottom 50% hold 6.4%: Report

Inequality in wealth distribution in India remains among the highest in the world, with the richest 10 per cent cornering around 65 per cent of it and the bottom 50 per cent holding a meagre 6.4 per cent, according to the latest World Inequality Report, released on Wednesday. The report, edited by economists Lucas Chancel, Ricardo Gómez-Carrera, Rowaida Moshrif, and Thomas Piketty, shows that the top 1 per cent of Indians hold about 40 per cent of the country's wealth.

https://www.business-standard.com/economy/news/two-thirds-of-india-s-wealth-cornered-by-top-10-world-inequality-report-125121001216_1.html

Finance

RBI may maintain repo rate at 5.25% through FY27: Fitch

The commentary from BMI comes amid many economists and bond-market experts in India factoring in a further quarter percentage point reduction in policy rates, lowering terminal rate expectations to 5% in the current easing cycle after RBI looked past a sharply retreating rupee to deliver a rate cut last Friday.

https://economictimes.indiatimes.com/news/economy/policy/rbi-may-maintain-repo-rate-at-5-25-through-fy27-fitch/articleshow/125896864.cms

Banks step up borrowing via CDs amid deposit tightness; raise ₹77,875 cr

Banks have stepped up borrowing through certificates of deposit (CDs), with the banking system raising nearly ₹78,000 crore through this route in the fortnight ended November 28, reflecting the increasing tightness in deposit accretion, which, in turn, is keeping the credit-deposit ratio of the system elevated. Banks are likely to keep tapping this route in the coming weeks and months as credit growth in the system is showing signs of picking up while deposit growth lags. According to the latest data from the Reserve Bank of India (RBI), banks raised ₹77,875 crore through CD issuances in the November 28 fortnight, marking the highest amount raised through this route since the June 27 fortnight, when the banking system raised ₹85,608 crore through CDs.

https://www.business-standard.com/industry/banking/banks-step-up-borrowing-via-cds-amid-deposit-tightness-raise-77-875-cr-125121001048_1.html

RBI wants MFIs to expand product base

The Reserve Bank of India is urging microfinance companies to diversify their lending beyond traditional group-based loans. Officials recommend exploring asset classes like inventory and capital asset financing to enhance stability and economic contribution. This push aims to move NBFC-MFIs from single-product offerings to comprehensive micro-enterprise finance solutions.

https://economictimes.indiatimes.com/industry/banking/finance/rbi-wants-mfis-to-expand-product-base/articleshow/125891892.cms

Fixed deposit growth finds its key driver in rural incomes

Savings deposits in rural centres also posted a robust 10% increase, the fastest pace in six quarters. Experts attribute this shift to rising rural incomes while growth in the metro areas appears to be losing momentum as financially savvy investors increasingly divert funds into higher-yielding avenues such as mutual funds and equities.

https://economictimes.indiatimes.com/industry/banking/finance/banking/fixed-deposit-growth-finds-its-key-driver-in-rural-incomes/articleshow/125897315.cms

NBFC vehicle-loan AUM to grow 16-17%, reach ₹11 trillion by FY27: Crisil

Assets under management (AUM) of vehicle loans of non-banking financial companies (NBFCs) will grow 16-17 per cent annually over the current and next financial year to Rs 11 trillion by March 31, 2027, said Crisil Ratings. The growth will be supported by policy measures and macroeconomic tailwinds. Meanwhile, sub-segments of vehicle loans will see differential growth trends; growth of used vehicle loans will continue to outpace that of new vehicle loans.

https://www.business-standard.com/finance/news/vehicle-loan-aum-to-grow-16-17-annually-touch-rs-11-trillion-by-fy27-crisil-ratings-125121000964_1.html

SEBI eases re-KYC process for NRIs; removes physical presence clause

Markets regulator SEBI on Wednesday eased the re-KYC process for Non-Resident Indians (NRIs) by removing the requirement for them to be physically present in India during digital verification. The relaxation is aimed at making the re-KYC process smoother and more accessible for NRIs. In its circular, SEBI has decided to modify the existing provisions to ease re-KYC access for NRIs after receiving references from multiple stakeholders.

https://www.thehindubusinessline.com/markets/sebi-eases-re-kyc-process-for-nris-removes-physical-presence-clause/article70380728.ece

PFRDA widens pension fund investment rules to boost returns and diversity

India's pension regulator on Wednesday issued revised investment rules for the country's pension funds, allowing for more diversification in search of better returns. The Pension Fund Regulatory and Development Authority (PFRDA) will now allow private pension funds to invest in the top 250 stocks by market capitalisation listed on India's bourses. Earlier, these funds were allowed to invest in a list of 200 stocks approved by the trust of the National Pension Scheme.

https://www.business-standard.com/finance/news/india-widens-pension-fund-investment-rules-to-boost-returns-and-diversity-125121001397_1.html

GST 2.0 pushes eway Bill volumes to third-highest ever at 129.8 mn in Nov

The e-way bill — an electronic permit generated for the movement of goods worth over ₹50,000 under the goods and services tax (GST) framework — stood at 129.8 million (in number) in November, the third-highest monthly total so far. It grew by nearly 28 per cent year-on-year (Y-o-Y) and 2.4 per cent sequentially from 126.85 million in October. It touched a record high in September at 132 million. The surge in goods movement mirrors the broader macroeconomic momentum, with the economy expanding a robust 8.2 per cent in the July-September quarter of FY26. This is the fastest pace in six quarters. It was 5.6 per cent a year ago.
https://www.business-standard.com/finance/news/gst-2-0-pushes-e-way-bill-volumes-to-third-highest-ever-in-november-125121001134_1.html

Industry

As rupee wobbles and costs surge, car firms gear up for new-year price rise

Come January, passenger vehicles are poised for a price increase, now almost an annual ritual, as original equipment manufacturers (OEMs) contend with forex pressures from weakening of the rupee against the dollar and euro, rising commodity prices, and uncertainty over rural demand. Tata Motors and Mahindra & Mahindra, two of the country's major automakers, had already signalled incoming hikes in their Q2 analyst calls as input and commodity costs continue to climb.
https://www.business-standard.com/industry/auto/as-rupee-wobbles-and-costs-surge-car-firms-gear-up-for-new-year-price-rise-125121000972_1.html

Digital advertising fraud now mimics humans too well, says report

Digital advertising fraud has increasingly become a complex, end-to-end threat that now imitates human behaviour so convincingly that older verification systems can no longer detect it, according to a report by mFilterIt. The report titled Beyond the Linear Lens: Ad Fraud in 2025 highlighted a steep rise in digital ad fraud, warning that the sophistication of fraudulent activity has tripled in the past two years, largely fuelled by advances in artificial intelligence (AI). "In 2025, fraud does not operate at a single touchpoint. It behaves like a network, moving fluidly across channels, devices, and consumer paths," the report said.
https://www.business-standard.com/industry/news/digital-advertising-fraud-2025-ai-invalid-traffic-mfilterit-report-125121000896_1.html

Agriculture

Cotton panel pegs production, imports and exports of the natural fibre lower this season

The Committee on Cotton Production and Consumption (CCPC), a body comprising all stakeholders in the sector, has pegged the natural fibre's production lower this season, while projecting a fall in imports. At its review meeting held on Monday, the CCPC provisionally estimated cotton production at 292.15 lakh bales (of 170 kg each) this season (October 2025-September 2026), lower than the 297.24 lakh bales produced last season. The production estimate is in line with the Ministry of Agriculture's first advanced estimate.
https://www.thehindubusinessline.com/economy/agri-business/cotton-panel-pegs-production-imports-and-exports-of-the-natural-fibre-lower-this-season/article70381661.ece

Govt planning to increase fixed costs for gas-based urea manufacturers after 25 years

The government plans to increase fixed cost payments to 30 gas-based urea manufacturers by the end of this year, Fertilisers Secretary Rajat Kumar Mishra said on Wednesday, addressing industry concerns over costs that have not been revised in nearly 25 years. The fixed costs, which cover working capital requirements including salaries and plant maintenance, have remained unchanged since 2000 despite sharp inflation, Mishra told reporters on the sidelines of a Fertiliser Association of India (FAI) event.
https://www.financialexpress.com/business/news-govt-planning-to-increase-fixed-costs-for-gas-based-urea-manufacturers-after-25-years-4072477/

Infrastructure

Road work slows despite city-wide digging; industry flags dip

Despite the fact that most major Indian cities appear dug up for metro rail, highway upgrades, utility repairs and other civic works, construction equipment makers say actual road construction volumes have dipped over the past year. Manufacturers, including Volvo Construction Equipment (CE), Tata Projects and Wipro Hydraulics, note that while ground-level disruption has increased, project execution, especially road-building has slowed.
https://www.thehindubusinessline.com/news/road-work-slows-despite-city-wide-digging-industry-flags-dip/article70380928.ece

Energy

India gas consumption falls 7.5% in Jan-Oct amid monsoons, cheaper fuels

India's natural gas consumption fell 7.5 per cent in the first 10 months (January to October) of the calendar year 2025, despite the government's efforts to boost demand to increase the fuel's share in the total energy mix. The country's gas demand was 56,760 million metric standard cubic metre (Mmscm) during January to October 2025, significantly lower than the 61,368 Mmscm in the same period last year, according to Petroleum Planning & Analysis Cell (PPAC) data.
https://www.business-standard.com/industry/news/gas-consumption-plummets-7-5-per-cent-amid-prolonged-monsoons-lower-alternate-fuel-prices-125121001165_1.html

MNRE asks REIAs to move from vanilla-solar energy tenders

The Ministry of New and Renewable Energy has asked the Renewable Energy Implementing Agencies (REIAs) to move away from floating vanilla-solar power tenders and focus on solar plus battery storage bids going forward. Responding to a starred question in Lok Sabha on Wednesday, Minister of New & Renewable Energy Pralhad Joshi explained that with the declining cost of solar-plus-storage and dispatchable renewable power, there is a growing preference among Discoms and end procurers for such solutions.
https://www.thehindubusinessline.com/economy/mnre-asks-reias-to-move-from-vanilla-solar-energy-tenders/article70379667.ece

Panel flags 2-3 year coal mine clearance delays; seeks faster approvals

A parliamentary standing committee has flagged prolonged delays of up to nearly three years in obtaining environment and forest clearances for coal mining projects and has asked the government to cut approval timelines to speed up domestic coal production and reduce import dependence.
https://www.business-standard.com/economy/news/parliamentary-panel-flags-2-3-years-delay-in-coal-mine-clearances-seeks-faster-approvals-125121001122_1.html

PHWR makers may build key parts for small modular reactors

Indian industries are set to manufacture critical equipment for Small Modular Reactors. This initiative aligns with the 'Make in India' program. Companies with technical support from Bhabha Atomic Research Centre will produce components like special steel and pumps. Private sector participation will be through EPC contracts.
https://economictimes.indiatimes.com/industry/renewables/phwr-makers-may-build-key-parts-for-small-modular-reactors/articleshow/125896957.cms

Telecom

Trai recommends backhaul spectrum charge at 0.1% of AGR; costs may halve

In a move that is set to slash the cost of backhaul spectrum charges by more than half, India's telecom regulator has recommended that 0.1 per cent of adjusted gross revenue (AGR) be charged for the airwaves that connect towers to the core network. The Telecom Regulatory Authority of India (Trai) said on Wednesday that instead of calculating charges for backhaul spectrum on a weighted-average formula based on the number of carriers a telco may have, a flat low rate should be applied.
https://www.business-standard.com/industry/news/trai-recommends-backhaul-spectrum-charges-at-0-1-per-cent-of-agr-125121100002_1.html

Telecom body backs SIM-binding order, dismisses privacy concerns

Telecom operators back the DoT's SIM-binding rule for messaging apps, calling privacy concerns 'misplaced narratives.' This move aims to ensure user identification and combat fraud. The Cellular Operators Association of India argues it's a vital security measure, comparable to UPI authentication, and will significantly enhance national security.
https://economictimes.indiatimes.com/industry/telecom/telecom-news/telecom-body-backs-sim-binding-order-dismisses-privacy-concerns/articleshow/125891785.cms

States

Sluggish growth in own tax revenue of most large States in FY26

At a time when GST rates have been lowered and states don't receive GST compensation cess either, the own tax revenue (OTR) of states becomes more significant. businessline analysis of OTR data from CAG shows that the growth of this revenue has been sluggish for some of the top states in FY26. Gujarat's OTR for April–October 2025 has grown by about 13 per cent over last year. This is the highest increase among the 10 biggest states in India (by GDP). Growth of OTR in some of the larger states such as Tamil Nadu, Uttar Pradesh, Andhra Pradesh and Madhya Pradesh was anaemic, below 5 per cent. Only four of the ten large states have crossed half of their budgeted own tax collections by October 2025.
https://www.thehindubusinessline.com/data-stories/data-focus/sluggish-growth-in-own-tax-revenue-of-most-large-states-in-fy26/article70375633.ece

Centre approves road projects worth Rs 44,771 crore for Odisha

The Centre approved road projects worth Rs 44,771 crore in Odisha and gave its nod to a proposal for constructing a thoroughfare between Bhubaneswar and Paradip, a minister said. The approvals were given for improvement of the existing national and state highways and the proposed new project, Odisha minister Prithiviraj Harichandan said. The announcement came after he met Union Minister Nitin Gadkari in New Delhi on Tuesday.
https://economictimes.indiatimes.com/news/economy/infrastructure/centre-approves-road-projects-worth-rs-44771-crore-for-odisha/articleshow/125883528.cms

External

Offers from India best-ever: USTR on proposed bilateral trade agreement

United States trade officials report receiving unprecedented offers from India on a proposed bilateral trade agreement. Negotiators are currently in New Delhi for further discussions. While progress is noted, some resistance exists regarding specific agricultural products and meats. Both nations aim to finalize the initial phase of the agreement, with trade experts advising caution on agricultural concessions.
https://economictimes.indiatimes.com/news/economy/foreign-trade/offers-from-india-best-ever-ustr-on-proposed-bilateral-trade-agreement/articleshow/125897142.cms

'Rough outline ready': India, EU committed to early conclusion of FTA negotiations, says Goyal

India and the EU are nearing a free trade agreement, with a rough outline now prepared. Commerce Minister Piyush Goyal expressed confidence in an early conclusion, noting positive discussions with EU officials. Both sides are committed to finalizing the deal, which could significantly boost bilateral trade in goods and services, impacting sectors like automobiles and pharmaceuticals.
https://economictimes.indiatimes.com/news/economy/foreign-trade/rough-outline-ready-india-eu-committed-to-early-conclusion-of-fta-negotiations-says-goyal/articleshow/125887013.cms

Draft ToR for Qatar trade pact, in process to secure internal nod for Oman FTA: Govt

India is actively pursuing trade pacts, sharing draft terms for a Free Trade Agreement with Qatar and finalizing internal approvals for a similar deal with Oman. Negotiations are also progressing with Israel and the Maldives, with Terms of Reference signed for both. Discussions are also underway with the Gulf Cooperation Council.
https://economictimes.indiatimes.com/news/economy/foreign-trade/draft-tor-for-qatar-trade-pact-in-process-to-secure-internal-nod-for-oman-fta-govt/articleshow/125892571.cms

India slams China-led investment plan at WTO

India has raised concerns at the World Trade Organization regarding a China-led proposal for an investment facilitation agreement. New Delhi argues that discussions on investment are outside the WTO's trade agreement framework. India emphasizes that such plurilateral agreements should remain exceptions, not the norm.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-slams-china-led-investment-plan-at-wto/articleshow/125896893.cms

India among nations hit as Mexico raises import duties up to 50%

Mexico's Senate approved on Wednesday tariff hikes of up to 50% next year on imports from China and several other Asian countries, aiming to bolster local industry despite opposition from business groups and affected governments. The proposal, passed earlier by the lower house, will raise or impose new duties of up to 50% from 2026 on certain goods such as autos, auto parts, textiles, clothing, plastics and steel from countries without trade deals with Mexico, including China, India, South Korea, Thailand and Indonesia. The majority of products will see tariffs of up to 35%.
https://www.thehindubusinessline.com/news/world/india-among-nations-hit-as-mexico-raises-import-duties-up-to-50/article70382902.ece

Trump's rice tariff threat unlikely to significantly hurt India's exports

US President Trump's threat of new rice tariffs is unlikely to significantly impact India, as the US market is small and already has high duties. This move appears to be a negotiating tactic amid ongoing trade talks, with India seeking removal of existing tariffs on its exports.
https://economictimes.indiatimes.com/news/economy/foreign-trade/trumps-rice-tariff-threat-unlikely-to-significantly-hurt-indias-exports/articleshow/125890275.cms