


**December 17, 2025 – Wednesday**

## Economy

### India's flash PMI falls to 58.9 in Dec, growth at softest pace since Feb

The HSBC Flash India Composite Output Index, which measures the combined performance of India's manufacturing and services sectors, fell to 58.9 in December from 59.7 in November, growing at its slowest pace since February, according to data released by S&P Global on Tuesday. This seasonally adjusted index, which tracks month-on-month changes in the combined output of the two sectors, indicated a slower rate of expansion. Both manufacturing and service sectors witnessed muted growth in business activity, the report said.
https://www.business-standard.com/economy/news/flash-pmi-december-manufacturing-services-expansion-125121600184_1.html

### India likely to witness above-trend growth of 7.5% in FY27: Axis Bank Research

"We expect the monetary easing to drive above-trend growth of 7.5%. Fiscal tightening is expected to continue, though it would be much slower at 20 bps, but the revival in credit growth in response to much easier monetary conditions is a significant tailwind, as is regulatory easing e.g., EoDB, revoked QCOs, new labour codes, the report said.
https://economictimes.indiatimes.com/news/economy/indicators/india-likely-to-witness-above-trend-growth-of-7-5-in-fy27-axis-bank-research/articleshow/126003982.cms

### Govt proposes major overhaul in compilation of revised GDP series, seeks feedback

In the revised series, the government has proposed to integrate the supply and use table with compilation of annual accounts to ensure that discrepancies are limited in the early estimates and finally eliminated when full set of data becomes available at the time of final estimates.
https://www.financialexpress.com/business/news/govt-proposes-major-overhaul-in-compilation-of-revised-gdp-series-seeks-feedback/4079041/

## Finance

### Lok Sabha Passes seminal Insurance Bill for 100% FDI, mandates undue gain disgorgement

The Lok Sabha on Tuesday passed the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Bill that ushers in major reforms in the insurance sector, besides raising the foreign direct investment limit to 100 per cent from the existing 74 per cent. Among the major changes brought about by the Bill are empowerment of IRDAI to cap the commission to be given to the agent, disgorging wrongful gain from the insurer or insurance intermediaries.
https://www.thehindubusinessline.com/money-and-banking/lok-sabha-passes-seminal-insurance-bill-for-100-fdi-mandates-undue-gain-disgorgement/article70404091.ece

### Government plans credit guarantee scheme to ease MFI stress

The scheme would encourage banks to lend to microfinance institutions (MFIs), especially the smaller ones, which are facing liquidity crunch amid limited access to bank funding. An announcement to this end is likely in the 2026 budget, people cited above said. The likely size of the guarantee programme is not known.
https://economictimes.indiatimes.com/industry/banking/finance/government-plans-credit-guarantee-scheme-to-ease-mfi-stress/articleshow/126018600.cms

**Rupee slips past 91 against dollar amid FPI outflows, riskoff trade**

The rupee breached the 91-per-dollar mark to hit a fresh low of 91.09 on Tuesday, pressured by persistent foreign outflow, riskoff trade in global markets, and delay in India-US trade agreement, dealers said. It strengthened marginally towards the end of the session to settle at 91.03 per dollar, compared with its previous close of 90.73. The local currency slid from 90 to 91 per dollar in just nine trading sessions. It has slipped 1.26 per cent against the greenback in the past five sessions alone. So far in 2025, the unit is the worst-performing Asian currency, with a depreciation of 5.95 per cent.
https://www.business-standard.com/economy/news/rupee-breaches-91-as-foreign-outflows-persist-trade-deal-delay-weighs-125121601070_1.html

**Sectoral, thematic funds underperform markets**

The sectoral and thematic funds category of equity mutual fund schemes, which has seen an increase of nearly 130% in its assets under management (AUM) from 2023 and contributes to nearly 15% of the total equity AUM, has underperformed the market returns both over a one-year and three-year periods. An analysis of data from Value Research shows that thematic funds across various categories on an average have given returns of -1.7% in the past one year and -16.33% in the past three years as of December 11. During the past one year, the large cap benchmarks Nifty and Sensex have risen 4-5% and the 500 stock indices of both the exchanges have risen between 0.6-0.8%.
https://www.financialexpress.com/market/sectoral-thematic-funds-underperform-markets-4079037/

**SEBI panel may ease curbs on commodity derivatives, lift agri trading ban**

A panel set up by Securities and Exchange Board of India (SEBI) will recommend easing curbs on commodity derivatives and suggest steps to make it more attractive to institutional investors in a final report to be submitted early next year, three sources with direct knowledge of the matter said. SEBI, which saw a change of guard in March with former bureaucrat Tuhin Kanta Pandey taking over as chief, set up the panel earlier this year.Under Pandey, SEBI had liberalised rules for equity markets this year and is expected to introduce reforms for commodity derivative markets.
https://www.financialexpress.com/market/sebi-panel-may-ease-curbs-on-commodity-derivatives-lift-agri-trading-ban-4078751/

**Cyber cover rush gathers pace as digital risks mount**

India is witnessing a sharp increase in companies purchasing cyber insurance and expanding cover sizes, as boards and management reassess digital risks following high-profile global outages, like the one involving Jaguar Land Rover, and tighter data protection rules. The time taken to put a cyber insurance cover in place has shrunk dramatically to just a few days from six to seven months earlier, as companies move quickly to hedge against operational disruption, regulatory fines and potential indemnification exposure, said insurers and brokers.
https://economictimes.indiatimes.com/industry/banking/finance/insure/cyber-cover-rush-gathers-pace-as-digital-risks-mount/articleshow/125990009.cms

**National Pension System update. Major changes for the system as non-government subscribers can withdraw up to 80%**

The Pension Fund Regulatory and Development Authority (PFRDA) on Tuesday announced key amendments to the National Pension System (NPS), aimed at providing greater flexibility to subscribers from non-government sectors. According to a PFRDA notification, a non-government subscriber can withdraw up to 80 per cent of fund accumulated amounting more than ₹12 lakhs from the National Pension Scheme post-retirement. However, there is no change for the government employees, and their withdrawal cap would be up to 60 per cent.
https://www.thehindubusinessline.com/economy/major-changes-for-the-system-as-non-government-subscribers-can-withdraw-up-to-80/article70404350.ece

## Industry

### Centre notifies rare earth magnet scheme

The Ministry of Heavy Industries (MHI) on Tuesday notified the Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnet. The scheme targets the creation of a domestic manufacturing capacity of 6,000 metric tonnes per annum (MTPA) of sintered Neodymium-Iron-Boron (NdFeB) magnets, a key input for sectors such as electronics, electric vehicles, aerospace and renewable energy. The total capacity will be allocated to five selected applicants through a Global Tender Enquiry.
https://www.financialexpress.com/business/industry-centre-notifies-rare-earth-magnet-schemenbsp-4079137/

### PM E-DRIVE scheme delivers 1.13 million electric vehicles in its first year

The PM EDRIVE scheme delivered 1.13 million electric vehicles in its first year while offering half the per-vehicle subsidy compared to FAME II, signalling a decisive shift from market activation to system-wide consolidation, said a study by the Council on Energy, Environment and Water (CEEW)'s Green Finance Centre on Tuesday. Despite halving the per-unit demand incentive to ₹5,000 per kWh, PM EDRIVE (PM Electric Drive Revolution in Innovative Vehicle Enhancement) enabled 3.4 times higher annual EV volumes than FAME II (Faster Adoption and Manufacturing of Electric Vehicles in India Phase II). This rapid growth with fewer subsidies also shows that India's EV space is maturing, resilient and ready for long-term integration into the economy.
https://www.business-standard.com/industry/auto/pm-edrive-delivers-1-13-mn-evs-with-half-the-subsidy-of-fame-ii-study-125121600982_1.html

### Funding halves for digital lending startups

Funding for lending startups has halved this year as investors pull back on valuations and become more selective on capital deployment, even as digital credit demand continues to grow sharply. Venture capitalists say the funding slowdown reflects a correction in pricing and structure rather than weakening fundamentals in the lending business. Data from Venture Intelligence shows investments into lending startups fell to about $752 million so far this year from $1.53 billion in 2024. Deal volumes also declined to 53 from 69 in the previous year. Despite the drop, lending remained the largest contributor to fintech deal activity, accounting for 40% of the 134 fintech deals recorded this year.
https://www.financialexpress.com/business/start-ups/funding-halves-for-digital-lending-startups/4079219/

### Premium bike sales rise 4% despite GST hike for 350 cc-plus models

Sales of premium motorcycles in India, those with more than 350 cubic capacity (cc) engine capacities, have demonstrated notable resilience, registering a 4 per cent year-on-year (Y-o-Y) growth in October-November 2025, despite a sharp hike in the goods and services tax (GST) rate, indicating stable demand in this niche segment. Effective September 22, 2025, motorcycles exceeding 350 cc attract a 40 per cent GST, a significant jump from the earlier 31 per cent. This hike immediately translated into higher prices for larger and more aspirational models.
https://www.business-standard.com/industry/auto/premium-motorcycle-sales-india-above-350cc-rise-despite-gst-hike-icra-primus-125121600553_1.html

## Agriculture

### Union Minister Pralhad Joshi asks states to create more foodgrain storage facilities

Union Food Minister Pralhad Joshi has called on all state governments to establish additional storage facilities for foodgrains. This directive comes as the procurement of wheat and paddy crops has seen a significant increase. The minister highlighted that losses in transit and storage have reduced considerably due to infrastructure improvements in the public distribution system.
https://economictimes.indiatimes.com/news/economy/agriculture/union-minister-pralhad-joshi-asks-states-to-create-more-foodgrain-storage-facilities/articleshow/126001709.cms

### Indian shrimp industry to regain competitive edge as global pricing normalizes

India's shrimp industry is entering a structurally stronger phase as long-standing competitive distortions in global supply unwind and key end markets reopen, according to an analytical report by InCred Equities. Ecuador, once the most disruptive force in global shrimp pricing, has seen its artificial cost advantage erode, enabling global shrimp pricing dynamics to turn more balanced and raising India's competitiveness. Indian producers now operate on firmer ground, supported by scale, traceability, and growing integration across the value chain.
https://www.thehindubusinessline.com/economy/agri-business/indian-shrimp-industry-to-regain-competitive-edge-as-global-pricing-normalises/article70401844.ece

**Cumin acreage may decline on weak prices this rabi season**

India's cumin (jeera) acreage is likely to shrink this rabi season as farmers are likely to reduce the area under the seed spices due to weak prices, stakeholders said. Sowing of jeera in the key producing states of Gujarat and Rajasthan, which began early this year due to the early onset of winter, has been trailing last year's levels, so far.
https://www.thehindubusinessline.com/economy/agri-business/cumin-acreage-may-decline-on-weak-prices-this-rabi-season/article70403328.ece

## Energy

**Ethanol producers face overcapacity as blending program hits roadblock**

The government is reassessing its ethanol blending programme after reports claimed that a vehicle's efficiency and mileage is affected due to the presence of ethanol, an agricultural by-product obtained from the processing of sugar and other sources like rice or maize, in fuel. Ironically, besides vehicle owners, ethanol producers are now feeling the pain from the blending controversy. For ethanol supply year (ESY) 2025-26, several ethanol producers have procurement orders less than their capacities. Meanwhile, some producers have dropped plans of increasing production capacity due to policy uncertainty. The Ethanol Supply Year (ESY) in India runs from November 1 to October 31.
https://www.business-standard.com/industry/news/ethanol-producers-face-overcapacity-as-blending-program-hits-roadblock-125121601274_1.html

**Govt likely to remove 50% cap on sales of coal from captive mines**

The central government has proposed removing the 50 per cent ceiling on the sale of coal and lignite produced from captive mines, a move aimed at clearing accumulated stockpiles and increasing mineral availability in the market. This is part of a series of reforms proposed in a notice of public consultation by the coal ministry through amendments to the Mines and Minerals Development and Regulation (MMDR) Act.
https://www.business-standard.com/industry/news/centre-proposes-removing-50-cap-on-coal-sales-from-captive-mines-125121600896_1.html

**No RE project connected under Green Energy Corridor II so far: MNRE**

The Ministry of New & Renewable Energy (MNRE) informed Parliament on Tuesday that so far no renewable energy (RE) project has been connected under the Green Energy Corridor Phase-II scheme (GEC Ph-II) so far. The MNRE is implementing the GEC Ph-II scheme in Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu, and Uttar Pradesh to integrate around 20 gigawatts (GW) of renewable energy. Under the GEC Ph-II, 91 packages have been approved, of which 73 have been tendered and 67 awarded.
https://www.thehindubusinessline.com/economy/no-re-project-connected-under-green-energy-corridor-ii-so-far-mnre/article70403522.ece

## Telecom

**SIM-binding diktat by DoT: Tech firms warn of disruptions for consumers**

App-based communication services providers and Indian telcos are at loggerheads over the SIM-binding directions issued by the department of telecommunications, which are to be complied with by the end of February 2026. The Internet and Mobile Association of India (IAMAI), representing more than 750 digital services players operating in the country, has asked the communications ministry to withdraw directions issued to bind SIMs with the device, on grounds that implementation would lead to disruption for millions of individual and business users.

https://www.business-standard.com/industry/news/sim-binding-diktat-by-dot-tech-firms-warn-of-disruptions-for-consumers-125121601327_1.html

## States

### Bihar Cabinet approves Saat Nishchay-3 programme to boost development

The Nitish Kumar government on Tuesday approved the 'Saat Nishchay-3' programme to bring Bihar into the category of most developed states. The decision was taken at the cabinet meeting chaired by Chief Minister Nitish Kumar. The CM posted on X, "In order to bring Bihar into the league of developed states, we have decided to implement Saat Nishchay-3 programme for the coming five years 2025-2030."
https://www.business-standard.com/india-news/bihar-cabinet-approves-saat-nishchay-3-programme-to-boost-development-125121600473_1.html

### Housing inflation slows in most States, remains high in Bihar & Haryana

Urban housing inflation has eased across most States over the last decade, signalling a broad-based slowdown in the pace at which housing costs are rising in India's cities. However, this cooling does not imply falling rents or declining house prices. Housing costs continue to rise, only more slowly than before, even as a few States still record relatively faster growth. Between FY15 and FY25, most States have seen a sustained decline in consumer price index (CPI) housing inflation in urban areas. Madhya Pradesh recorded the sharpest moderation, with inflation down 6.1 percentage points over the period.
https://www.thehindubusinessline.com/data-stories/data-focus/housing-inflation-slows-in-most-states-remains-high-in-bihar-amp-haryana/article70402890.ece

### Tax hierarchy sees reshuffle as Odisha, Telangana take unexpected leads

A shift appears to be underway in India's tax landscape, with smaller states such as Odisha and Telangana emerging as the fastest-growing contributors to indirect and direct tax collections, respectively, challenging the long-standing dominance of traditional economic powerhouses such as Maharashtra, Karnataka, Gujarat and Tamil Nadu. An analysis of 28 states and the national capital region (NCR) of Delhi revealed that among the states whose direct or goods and services tax (GST) collections crossed the Rs 5,000 crore mark, Odisha leads in GST collection growth with a compound annual growth rate (CAGR) of 22.4 per cent between FY18 and FY25, while Telangana tops direct tax collections with a CAGR of 50.7 per cent between FY19 and FY24.
https://www.business-standard.com/economy/news/tax-hierarchy-sees-reshuffle-as-odisha-telangana-take-unexpected-leads-125121601200_1.html

### Odisha unveils Pharma, MedTech Policy 2025, eyes ₹25,000 crore investment

The Odisha government on Tuesday unveiled Pharmaceutical and Medical Devices Policy-2025, aiming to attract investment of ₹25,000 crore and create 1 lakh jobs by 2030. Chief Minister Mohan Charan Majhi launched the new policy here at the Odisha Pharma Summit-2025 in the presence of Industries Minister Sampad Chandra Swain and senior government officers. Speaking on the occasion, Industries Department's Additional Chief Secretary Hemant Sharma said India imports about 85 per cent of medical devices from other countries, and there is a huge opportunity for this sector.
https://www.business-standard.com/industry/news/odisha-unveils-pharma-medtech-policy-2025-eyes-25-000-crore-investment-125121601015_1.html

## External

### India, Jordan aim to double trade to $5 billion over the next five years

During his two-day visit to Jordan, which concluded on Tuesday afternoon, Prime Minister Narendra Modi proposed that the two countries should aim to double their bilateral trade to $5 billion over the next five years. The two sides also discussed cooperation in production of fertilisers. "Jordan is an important supplier of fertilisers to India, and companies on both sides are in discussions for further substantive investment in Jordan to meet growing demand for phosphatic fertiliser in India," India's Ministry of External Affairs (MEA) said in a readout of the PM's meeting with Jordanian King King Abdullah II ibn Al Hussein, which took place on Monday evening.

https://www.business-standard.com/economy/news/india-jordan-aim-to-double-trade-to-5-billion-over-the-next-five-years-125121601086_1.html

**Jaishankar holds talks with Israeli PM on deepening ties in mutiple sectors**

External Affairs Minister S Jaishankar on Wednesday called on Israeli Prime Minister Benjamin Netanyahu and discussed deepening cooperation in several sectors. Jaishankar expressed confidence that the Strategic Partnership will grow from strength to strength. In a post on X, he said, "Deeply appreciate the call on Prime Minister of Israel Benjamin Netanyahu in Jerusalem this evening. Extended warm wishes of PM Narendra Modi. Discussed deepening cooperation in technology, economy, skills and talent, connectivity and security."
https://www.business-standard.com/external-affairs-defence-security/news/jaishankar-holds-talks-with-israeli-pm-on-deepening-ties-in-mutiple-sectors-125121700096_1.html

**India strengthens position in digital service exports: Report**

India, the Philippines, and several African economies are strengthening their business process and digital service exports, according to The Global Value Chain Development Report 2025. This shift highlights the growing importance of services in manufacturing and indicates that global value chains remain crucial, with GVC trade declining only marginally from its peak.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-strengthens-position-in-digital-service-exports-report/articleshow/125990008.cms

**India moves WTO against EU's safeguard measures**

India has moved the World Trade Organisation (WTO) against the safeguard measures introduced by the European Union on imports of ferro alloying elements in the forms of import quotas from different countries. The EU imposed safeguard measures on imports of silicon, ferro-manganese, ferro-silicon, ferro-silico-manganese, ferro-silico-magnesium and calcium-silicon on developing countries including India and China from November 18. These measures will be in force for the next three years.
https://www.financialexpress.com/business/news/india-moves-wto-against-eus-safeguard-measures/4078929/

**Punitive US tariffs choke orders, squeeze margins and force production cuts for Indian textile exporters**

For nearly three months now, R Gopalakrishnan, chairman of Royal Classic Mills (P) Ltd, has been waking up to the hope shared by exporters across India's textile sector — that Washington will roll back the punitive 50 per cent tariff on Indian textiles. The wait, however, has stretched on. "Both the governments are trying hard to announce a breakthrough. However, we have been unlucky so far," he says.
https://www.thehindubusinessline.com/companies/punitive-us-tariffs-choke-orders-squeeze-margins-and-force-production-cuts-for-indian-textile-exporters/article70402455.ece

**India's top arms makers held rare meetings in Russia on potential JVs**

At least half a dozen executives from top Indian arms makers, including Adani Defence and Bharat Forge, attended rare meetings in Russia this year to discuss potential joint ventures, three people familiar with the matter said. The meetings took place during the first visit of India's defence business leaders to Russia since Moscow's 2022 invasion of Ukraine. The visit by the defence business leaders had not previously been reported. The Indian government is seeking to reorientate its decades-old defence ties with Russia to focus on joint development of weapons.
https://www.business-standard.com/industry/news/india-s-top-arms-makers-held-rare-meetings-in-russia-on-potential-jvs-125120901017_1.html