

December 26, 2025 – Friday

Economy

India revamps tax regime in 2025, new I-T Act to take effect from April 1

India overhauled its tax regime in 2025 with sharp cuts in Goods and Services Tax (GST) rates and a higher income tax exemption limit, with the spotlight now turning to customs duty rationalisation and procedural simplification in the coming Budget. Next year will see the new simplified Income Tax Act, 2025, to come into effect from April 1, replacing the over six-decade-old current Income Tax Act, 1961.
https://economictimes.indiatimes.com/news/economy/finance/india-revamps-tax-regime-in-2025-new-i-t-act-to-take-effect-from-april-1/articleshow/126170644.cms

How 2025 made India more nimble, agile and attractive

In 2025, India enacted significant economic reforms to boost competitiveness and resilience amidst global uncertainties. Key initiatives included income-tax relief, GST restructuring, labor code modernisation, and FDI liberalisation in insurance. These measures aimed to stimulate domestic demand, attract investment, and unlock the nation's untapped potential for sustained growth.
https://economictimes.indiatimes.com/news/economy/policy/modi-government-reforms-india-economy-in-2025-how-2025-made-india-more-nimble-agile-and-attractive/articleshow/126172306.cms

Budget Expectations

Dept of Atomic Energy seeks sops to put nuclear power on a par with renewable energy

The Department of Atomic Energy is pushing for tax breaks and green incentives for nuclear power. This aims to put nuclear energy on par with solar, wind, and hydro power. The department wants GST waivers and access to green financing. Nuclear projects currently face higher taxes and environmental classifications that slow progress.
https://economictimes.indiatimes.com/industry/energy/power/dept-of-atomic-energy-seeks-sops-to-put-nuclear-power-on-a-par-with-renewable-energy/articleshow/126177752.cms

Finance

Banks seek certification on source of overseas transfers

High-street banks are now demanding testimonials on 'sources of funds' from wealthy Indians, NRIs, and businesses looking to move money abroad. This comes as the rupee's slide against the US dollar tempts individuals to remit funds overseas, with banks insisting on CA validation for these transactions.
https://economictimes.indiatimes.com/industry/banking/finance/banks-seek-certification-on-source-of-overseas-transfers/articleshow/126165389.cms

Public-sector banks okay ₹28k cr in MSME loans via new digital model

Public-sector banks (PSBs) have sanctioned ₹28,724 crore for micro, small and medium enterprises (MSMEs) under the government’s new digital footprint–based credit assessment model during the April to October period of FY26,

reflecting early traction of the new technology-driven lending framework. According to the data sourced by Business Standard, PSBs processed a total of 560,655 MSME loan applications during the seven-month period, out of which 261,281 proposals were passed and ₹23,541 crore was disbursed. The rest of the amount has been sanctioned, but yet to be disbursed.
https://www.business-standard.com/industry/banking/public-sector-banks-okay-28k-cr-in-msme-loans-via-new-digital-model-125122100503_1.html

Private banks lead small business lending; PSBs lost share in last 2 years: Report

Private banks continue to dominate enterprise lending to small businesses in India, closely followed by public sector banks (PSBs), though the latter have seen a decline in their market share over the past two years, according to a report by Small Industries Development Bank of India (SIDBI) and CRIF High Mark, India's first full-service credit information bureau. The report noted that while private banks remain the primary lenders to enterprises, non-banking financial companies (NBFCs) are steadily gaining share, particularly among sole proprietors, where they now command over 41 per cent of the lending share.
https://economictimes.indiatimes.com/industry/banking/finance/banking/private-banks-lead-small-business-lending-psbs-lost-share-in-last-2-years-report/articleshow/126169840.cms

Repo rate transmission to NBFCs remains gradual despite funding diversification

Transmission of repo rate changes to non-banking financial companies (NBFCs) continues to be slow and uneven, even as many lenders steadily reduce their dependence on bank borrowings by tapping bond markets and other funding sources, according to industry executives and analysts. Umesh Revankar, executive vice-chairman of Shriram Finance, said around 50% of the cumulative policy rate changes have so far been transmitted to NBFCs. “Typically, transmission to NBFCs takes about three to six months,” he said, adding that the pace depends on funding mix and market conditions. In contrast, Pinank Shah, chief executive officer of Capital India Finance, said full transmission can take up to 12 months for many lenders.
https://www.financialexpress.com/business/banking-finance/repo-rate-transmission-to-nbfcs-remains-gradual-despite-funding-diversification/4088277/

SEBI revises BSDA rules: Simplified demat accounts from March 2026

To further enhance the Basic Services Demat Account (BSDA) framework, markets regulator SEBI on Wednesday decided to exclude Zero Coupon Zero Principal (ZCZP) bonds and delisted securities from the valuation threshold used to determine BSDA eligibility. The move is aimed at further improving BSDA facility to make investing simpler for investors and reduce the compliance burden for depository participants (DPs). "It has been decided to exclude Zero Coupon Zero Principal (ZCZP) bonds and delisted securities for reckoning the threshold for BSDA," SEBI said in its circular.
https://www.thehindubusinessline.com/markets/sebi-revises-bsda-rules-simplified-demat-accounts-from-march-2026/article70435934.ece

Policy reforms, digital surge power India's insurance sector in 2025: Leaders

India's insurance sector saw major shifts in 2025. Policy reforms and digital progress translated into real consumer impact. The year 2026 promises growth driven by quality, consistency, and trust. Simpler products, faster claims, and deeper customer engagement are expected. Insurers prioritizing transparency will shape the future. The sector is poised for continued expansion.
https://economictimes.indiatimes.com/industry/banking/finance/insure/policy-reforms-digital-surge-power-indias-insurance-sector-in-2025-leaders/articleshow/126174251.cms

Easing supply of ultra-long bonds may flatten G-sec yield curve in FY27

The government bond yield curve is likely to flatten in the financial year 2027 (FY27) as the Reserve Bank of India (RBI) is expected to ease supply pressure in the ultra-long segment. In FY26 so far, reduced investments by insurance companies and pension funds pushed up yields on ultra-long tenor securities, steepening the curve. A recalibration of issuance, however, could help normalise yields at the long end in the coming year, experts said.
https://www.business-standard.com/economy/news/easing-supply-of-ultra-long-bonds-may-flatten-g-sec-yield-curve-in-fy27-125122500537_1.html

India Inc lean on corporate bond repos for short-term liquidity

Corporates are increasingly tapping the corporate bond repo market to meet short-term funding requirements and to diversify their funding sources. According to the AMC Repo Clearing Ltd (ARCL) data, companies borrowed an average of Rs 12,196.57 crore in the second half of the year 2025 till November compared to Rs 3,022.83 crore in the first half. ARCL, which is regulated by both Securities and Exchange Board of India (Sebi) and the Reserve Bank of India (RBI), offers clearing and settlement services to all trades executed on exchanges under triparty repo in corporate debt securities.
https://www.financialexpress.com/business/banking-finance/india-inc-lean-on-corporate-bond-repos-for-short-term-liquiditynbsp/4088256/

Govt notifies new rules to curb ineligible promoters' re-entry in distressed firms

The government has notified changes in the insolvency regulations requiring every resolution plan submitted by the potential bidders to include the details of their beneficial owners who are ultimately going to take control of the distressed company post its transfer. The move has come more than a month after the Insolvency and Bankruptcy Board of India (IBBI) had floated a discussion paper on this issue. Based on the feedback, the board has decided to amend the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
https://www.financialexpress.com/business/news/govt-notifies-new-rules-to-curb-ineligible-promoters-re-entry-in-distressed-firms/4088410/

Industry

China starts issuing licenses to import rare earth magnets into India

China has gradually started issuing licences to import rare-earth magnets (REMs) into India through suppliers of domestic as well Indian units of foreign companies, according to government officials. Some of the companies on the list are Jay Ushin, Indian units of German automotive component maker Continental AG, vendors of Mahindra, vendors of Maruti Suzuki, and suppliers of Honda Scooters and Motorcycles. "Although it's a slow start, China's Ministry of Commerce has started processing and clearing the applications. Some companies have received necessary approvals. The process has now started," one of the officials told Business Standard.
https://www.business-standard.com/industry/news/china-starts-issuing-licenses-to-import-rare-earth-magnets-into-india-125122500632_1.html

India Inc wants to tech all its employees to the future

As India approaches 2026, companies such as Zensar Technologies, Godrej Consumer Products, and Tata Motors are proactively enhancing their workforce through training initiatives. By prioritizing skills in data, artificial intelligence, and analytics, these businesses aim to prepare their employees for the inevitable technological transformations.
https://economictimes.indiatimes.com/news/company/corporate-trends/india-inc-wants-to-tech-all-its-employees-to-the-future/articleshow/126177621.cms

New labour codes may reshape MNC payrolls

Experts say that companies will have to update transfer pricing benchmarks and documentation, as changes in the cost base could affect the arm's length pricing of intra-group services and cost-sharing arrangements, with potential for tax disputes where global policies are not aligned.
https://economictimes.indiatimes.com/news/company/corporate-trends/new-labour-codes-may-reshape-mnc-payrolls/articleshow/126178337.cms

Luxury car sales slow down amid global, cost bumps

Luxury car sales in India experienced a significant slowdown in 2025, growing by only 1.6% to 52,000 units due to geopolitical uncertainties, volatile markets, and currency depreciation. Despite this, industry leaders anticipate a return to sustainable growth in 2026, bolstered by GST reforms and improved macroeconomic clarity.
https://economictimes.indiatimes.com/industry/auto/cars-uvs/luxury-car-sales-slow-down-amid-global-cost-bumps/articleshow/126177365.cms

Indian commercial vehicle industry poised for upcycle as replacement demand builds: Nomura

The Indian medium and heavy commercial vehicle (M&HCV) industry appears to be entering the next upcycle, with industry volumes estimated to grow by around 8 per cent year-on-year in FY26 and 10 per cent in FY27, following a period of modest growth, according to a report by Nomura. The report highlighted that improving industry fundamentals are likely to support demand over the medium term.
https://www.thehindubusinessline.com/economy/indian-commercial-vehicle-industry-poised-for-upcycle-as-replacement-demand-builds-nomura/article70436219.ece

Indians chase adventure tourism, bookings log double-digit growth in 2025

From high-altitude treks and mountain biking in India to alpine kayaking in Switzerland or husky safaris and Northern Lights excursions, travellers are increasingly opting for unique experiences. Travel operators have seen a rise in adventure tourism across several age groups in 2025, from high single digits to double-digit growth compared to last year. Adventure-based travel bookings on EaseMyTrip have seen moderate double-digit growth in 2025 compared to 2024.
https://www.business-standard.com/industry/news/indian-adventure-tourism-bookings-see-up-to-double-digit-growth-in-2025-125122500614_1.html

Agriculture

India's tea production, export for 2025 likely to surpass 2024 figures

The Indian tea industry expects both production and exports to be higher for this year compared with last year. While the output of the brew is likely to grow marginally, export is expected to grow significantly buoyed by higher shipments to Iran, Iraq and China. The country produced 1284.78 million kg (mkg) of tea in 2024. Production of the brew till October 2025 reached 1133.41 mkg, registering an increase of 8 mkg or about 1 per cent compared to the corresponding period of 2024.
https://www.thehindubusinessline.com/economy/agri-business/indias-tea-production-export-for-2025-likely-to-surpass-2024s-figures/article70437185.ece

Infrastructure

Govt expediting action on leasing 11 more airports

The proposal to lease 11 airports, including Amritsar, Varanasi, Bhubaneswar, Raipur and Tiruchirappalli, has gathered significant momentum. It was recently reviewed and approved by the Ministry of Civil Aviation (MoCA), and the final parameters of the scheme may be announced during the upcoming Union Budget, sources said.
https://www.thehindubusinessline.com/news/govt-expediting-action-on-leasing-11-more-airports/article70437229.ece

New ship recycling rules kick in as India aligns with Hong Kong Convention

The Union government will soon release detailed, stricter norms to regulate recycling of vessels in terms of environmental hazards and worker safety, officials told Business Standard. This will be in line with the Hong Kong Convention (HKC) on the Safe and Sound Recycling of Ships that came into force earlier this year. The Ministry of Ports, Shipping and Waterways has notified several binding provisions of the Recycling of Ships Act 2019 as being enforced starting Wednesday. These broad guiding principles, announced in 2019, were kept in abeyance until the adoption of the HKC.
https://www.business-standard.com/industry/news/ship-recycling-regulations-hong-kong-convention-india-ports-ministry-125122500503_1.html

Industrial-logistics space demand hits record 76.5 mn sq ft this year

Demand for industrial and logistics spaces hit an all-time high this year, with leasing volumes rising nearly 19 per cent to 76.5 million square feet across 24 major cities in India, according to Savills. Real estate consultant Savills India data showed that the manufacturing sector took on lease 29 per cent of spaces, followed by third-party logistics firms (28 per cent) and e-commerce players (12 per cent). "India's Industrial and Logistics sector continued its strong

post-pandemic growth trajectory in 2025, recording its highest-ever annual absorption of 76.5 million sq ft," Savills India said.
https://www.business-standard.com/industry/news/industrial-logistics-space-demand-hits-record-76-5-mn-sq-ft-this-year-125122500413_1.html

Energy

India becomes world's third-largest fuel retail market with 100,000 pumps

India's network of petrol pumps has expanded beyond 100,000 outlets, almost doubling over the past decade as state-owned oil companies ramped up expansion to meet rising vehicle demand and extend fuel access into rural regions, The Economic Times reported. India now ranks third globally in fuel retail network size, behind the United States and China, which operate about 110,000–120,000 pumps each across far larger land areas. B Ashok, former chairman of Indian Oil Corporation, told The Economic Times that the rapid expansion has largely eased access constraints in rural and remote areas and improved customer service by intensifying competition.
https://www.business-standard.com/industry/news/petrol-pump-network-expansion-fuel-consumption-india-125122500320_1.html

CERC brings in virtual PPA norms for renewable targets

India's power regulator has launched a new virtual power purchase agreement framework. This allows large electricity users to meet renewable energy goals without physically receiving green power. Companies can now enter non-tradable contracts with renewable generators. This eases compliance, supports generator revenues, and offers consumer flexibility. The mechanism links generators and consumers financially, not physically.
https://economictimes.indiatimes.com/industry/renewables/cerc-brings-in-virtual-ppa-norms-for-renewable-targets/articleshow/126177688.cms

States

UP ramps up services to achieve $50 bn export goal, eyes $1-trn economy

To meet its $50-billion export target by 2030, the Uttar Pradesh government is looking to significantly scale up services sector, with a focus on Information Technology (IT) and Global Capability Centres (GCC) domains. Under the UP Export Promotion Policy 2025-30, the state aims to raise goods and services exports from $21 billion in 2024 to $50 billion by 2030. While merchandise exports form a bulk of the state's shipments, the Yogi Adityanath government is now seeking to substantially increase the service exports as well.
https://www.business-standard.com/economy/news/up-ramps-up-services-to-hit-50-bn-export-goal-eyes-1-trillion-economy-125122500566_1.html

Odisha farmers export 1,000 kg of fresh produce to Dubai

Farmers from Odisha's Kalahandi and Nabarangpur districts have exported 1,000 kg of fresh produce to Dubai via Biju Patnaik International Airport, Bhubaneswar. The consignment included garlic and French beans exported for the first time from Odisha, along with baby potatoes, ivy gourd, pointed gourd, and papaya, sourced from FPO farmers. A media statement said that the Directorate of Horticulture played a pivotal role in facilitating this export to ensure coordination and support for farmer participation.
https://www.thehindubusinessline.com/economy/agri-business/odisha-farmers-export-1000-kg-of-fresh-produce-to-dubai/article70436797.ece

Gujarat rolls out 3 clean energy policies; targets Rs 5.75 lakh cr investments

Unveiling three major clean energy policies — the Integrated Renewable Energy Policy, Pumped Storage Project Policy, and Green Hydrogen Policy — the Gujarat government on Thursday announced policy support for an integrated renewable energy ecosystem, with the green hydrogen roadmap alone set to unlock over ₹5 lakh crore in investments and generate six lakh jobs by 2030, while pumped storage projects are expected to attract ₹75,000 crore in investments.
https://www.thehindubusinessline.com/economy/gujarat-rolls-out-3-clean-energy-policies-eyes-5-lakh-crore-investments-in-green-hydrogen-re/article70436420.ece

Healthcare

Experts warn of risks from govt price floor on key pharma inputs

The government has proposed to impose MIP on Penicillin-G (Pen-G), with possible extension to 6-aminopenicillanic acid (6-APA) and amoxicillin. Penicillin-G is not a standalone product. It is the upstream 'mother molecule' for a wide range of essential antibiotics, feeding into intermediates such as 6-APA, GCLE and 7-ADCA, and into high-volume formulations including amoxicillin, ampicillin, multiple cephalosporins and widely used combinations.
https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/experts-warn-of-risks-from-govt-price-floor-on-key-pharma-inputs/articleshow/126178108.cms

Just 1 in 4 MSME pharma units set for GMP transition as deadline nears

Only about 1,700, or 26 per cent of India's estimated 6,500 MSME pharmaceutical manufacturers that were required to come up to speed with revised good manufa turing practices (GMP) norms by December 31, are likely to make the cut. India has around 10,500 pharmaceutical manufacturing units, nearly 8,500 of which fall under the micro, small, and medium enterprise (MSME) category. Around 2,000 MSME units already hold WHO-GMP certification.
https://www.business-standard.com/industry/news/only-one-fourth-msme-drugmakers-comply-gmp-schedule-m-india-125122500521_1.html

External

"India-Maldives ties getting back on track": Ex-Vice President of Maldives

Faisal Naseem, Former Vice President of the Maldives, stressed that India-Maldives relations are reaching greater heights. "I think it's very much getting back on track and then we also have the diplomacy. It's a relationship we have that is inseparable. One we have India and the Maldives. Lots of things happening in the Maldives," he said. He further said that India is an essential partner in the Indian Ocean. "You can see from the time that we can never remember, for many decades, India is a partner for us. India, we being in the Indian Ocean, India means a lot for us, for our security, Indian Ocean security. And so I think it was just during a time of political campaign, think that was a kind of technique, I think. That's what I feel. It is baseless stories I think. That's what we see today, if not why we see everything together again today," he said.
https://www.thehindubusinessline.com/news/india-maldives-ties-getting-back-on-track-ex-vice-president-of-maldives/article70435989.ece

With more than 18 FTAs so far, India must shift focus to deliver export gains amid tough 2026 trade outlook: GTRI

With 18 free trade agreements (FTAs) already signed and more likely in 2026, India's priority must now move from negotiating new deals to ensuring existing FTAs translate into real export gains, particularly in electronics, engineering and textiles, highlighted a report by the Global Trade Research Initiative (GTRI). The report said India's total exports stood at $825 billion in FY25 and are expected to rise only marginally to around $850 billion in FY26, reflecting a challenging global trade environment. Merchandise exports are likely to remain flat in FY26 due to weak global demand and rising protectionism, while services exports may cross $400 billion, providing the only meaningful cushion to India's overall trade performance.
https://www.thehindubusinessline.com/economy/with-more-than-18-ftas-so-far-india-must-shift-focus-to-deliver-export-gains-amid-tough-2026-trade-outlook-gtri/article70436260.ece

Govt imposes anti-dumping duty on import of R-134a from China

The government has imposed anti-dumping duty on Chinese R-134a, an inert gas also known as tetrafluoroethane, for a period of five years to protect domestic industry. The decision was taken following an investigation by the Directorate General of Trade Remedies (DGTR) which found that tetrafluoroethane has been exported to India from China at lower prices, resulting in dumping. According to an official notification, the duty is calculated as the difference between specified reference prices ranging from $4,423 to $4,583 per metric ton for six identified Chinese producers, and $5,251 per metric ton for all others and the actual landed value, applicable only when the landed value is lower.
https://www.financialexpress.com/policy/economy/govt-imposes-anti-dumping-duty-on-import-of-r-134a-from-china/4088211/

Engineering exports cross $11 b in November as shipments to US, EU rise

Engineering exports from India crossed the $11-billion mark in November for the first time this fiscal posting an increase of 23.76 per cent (year-on-year) despite the US tariffs. The rebound in engineering exports, after a sharp decline in October, was due to growth in exports to markets such as the EU and the US, as well as a low-base effect, per an analysis by exporters' body Engineering Export Promotion Council (EEPC) of India. Exporters, however, need to remain cautious given the rising volatility in global trade, the report cautioned.
https://www.thehindubusinessline.com/economy/engineering-exports-cross-11-b-in-november-as-shipments-to-us-eu-rise/article70437183.ece

Russian spirits' export to India nearly quadruples in 10 months: Report

Russian spirits exports to India have seen a dramatic increase. In the first ten months of 2025, shipments nearly quadrupled compared to the previous year. Vodka led the surge, with total spirits exports reaching 520 tonnes worth USD 900,000. This growth positions India as a highly attractive emerging market for Russian beverage producers.
https://economictimes.indiatimes.com/industry/cons-products/liquor/russian-spirits-export-to-india-nearly-quadruples-in-10-months-report/articleshow/126175523.cms

At WTO, India calls for steps to boost tech transfer to developing nations

India is pushing developed nations at the World Trade Organization to share advanced technologies. This move aims to boost trade for developing and least-developed countries. India highlights barriers like export controls and intellectual property rules. The goal is to ensure a fair share in global trade. This initiative seeks to address global inequalities and promote economic growth for poorer nations.
https://economictimes.indiatimes.com/news/economy/foreign-trade/at-wto-india-calls-for-steps-to-boost-tech-transfer-to-developing-nations/articleshow/126177788.cms