

December 30, 2025 – Tuesday

Economy

Industrial production grows 6.7% in November, highest in two years

India's industrial production grew at a two-year high of 6.7 per cent in November this year, driven by strong performances in mining and manufacturing, mainly on account of order pile-up following a cut in GST rates, according to official data released on Monday. The factory output, measured in terms of the Index of Industrial Production (IIP), had expanded by 5 per cent in November 2024. The previous high was recorded at 11.9 per cent in November 2023.
https://www.business-standard.com/economy/news/industrial-production-grows-6-7-in-november-highest-in-two-years-125122900610_1.html

Budget Expectations

Union Budget 2026: Centre's dividend kitty may beat budget estimates in FY26

Government dividend collections from public sector enterprises are poised to exceed targets for a fifth consecutive year, potentially reaching a new high in 2025-26. Despite strong performance and robust inflows, the Centre will likely maintain its initial Rs 69,000 crore dividend projection due to global and domestic uncertainties. This consistent dividend strength has helped offset weaker disinvestment receipts.
https://economictimes.indiatimes.com/news/economy/finance/union-budget-2026-centres-dividend-collection-kitty-may-beat-budget-estimates-in-fy26/articleshow/126239368.cms

Finance

Banks 'resilient' but face stiff fund mobilisation competition: RBI report

The country's banking system, while remaining "resilient" with bad loans at over a decade low and strong capital buffer, will continue to face intense competition from non-bank sources for resource mobilisation, said the Reserve Bank of India's (RBI's) Trend and Progress of Banking in India 2024-25 report. The report said the Indian economy recorded robust growth amid a rapidly changing global environment. The near-term outlook remains positive, with inflation easing to a multi-year low.
https://www.business-standard.com/industry/banking/banks-will-face-competition-for-resource-mobilisation-rbi-125122901033_1.html

RBI asks microlenders to monitor stress build-up

The Reserve Bank of India has urged microfinance institutions to monitor stress build-up on their books, noting lower disbursements in southern states. This comes as the industry adopts guardrails to ensure steady growth, following challenges like borrower over-leverage. The RBI's revised framework aims for systemic and sustainable growth while fostering financial inclusion.
https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-asks-microlenders-to-monitor-stress-build-up/articleshow/126235037.cms

RBI initiates review of scale-based regulation for NBFCs amid growing systemic role

The Reserve Bank of India is reviewing its scale-based regulation for non-bank lenders. This framework categorizes these companies by their systemic importance. The review comes as non-bank lenders play a growing role in credit delivery. Concerns about interconnectedness and risk remain. Upper-layer non-bank lenders hold a significant portion of assets. Their credit footprint is expanding across the economy.
https://economictimes.indiatimes.com/industry/banking/finance/rbi-initiates-review-of-scale-based-regulation-for-nbfcs-amid-growing-systemic-role/articleshow/126239270.cms

$6 bn-plus foreign inflows make 2025 a watershed year for India's pvt banks

The year 2025 turned out to be a watershed year for private lenders in India in attracting foreign investment. Domestic lenders received over $6 billion and the stake sale of another one — IDBI Bank — is in the final phase and is expected to be sealed by the end of the financial year. A combination of factors — including a favourable regulatory environment, banks' balance sheets cleaned up, the country's growth potential, and strong investor conviction in the long-term compounding prospects of mid-tier banks — has led to this investment bonanza, and the momentum is likely to continue next year, according to experts, as several mid-tier private banks still require capital to scale up, strengthen their balance sheets, and break out of their current growth constraints.
https://www.business-standard.com/industry/banking/looking-back-2025-watershed-year-for-domestic-private-banks-foreign-investment-125122900659_1.html

Industry

Govt eases norms, halves approval time to fast-track setting up of it is

The government is speeding up the process for setting up Industrial Training Institutes. Industry players can now establish new institutes or take over existing ones more easily. Approval times have been cut by half, and entry requirements are now simpler. This move aims to significantly increase skilling opportunities across India.
https://economictimes.indiatimes.com/news/economy/policy/govt-eases-norms-halves-approval-time-to-fast-track-setting-up-of-itis/articleshow/126237731.cms

IT firms step up shift to AI-led, outcome-based delivery

Indian IT firms' transition from manpower-led outsourcing to AI-native, outcome-based delivery is becoming more explicit, with top-tier firms setting the tone and mid-sized players using acquisitions to accelerate the shift. Analysts said the change reflects a broader reset underway across the sector as revenue growth moderates and clients demand measurable productivity gains rather than incremental headcount.
https://www.financialexpress.com/business/industry-it-firms-step-up-shift-to-ai-led-outcome-based-delivery-4091844/

Govt reviews supply chain gaps as China's rare earth curbs rattle industry

Amid the rare earth magnet crisis triggered by China's export restrictions that has shaken Indian EV and electronics manufacturers this year, the Ministry of Commerce and Industry is reviewing sector-wise India's supply chain dependencies, with a focus on China and other Asian countries, sources said. "The idea is to identify vulnerabilities and build domestic manufacturing capacity where needed. Policy suggestions have been sought from various sectors to reduce dependence on foreign sources of imports. Some measures may be taken as part of the upcoming budget while other policies may be notified as and when needed," a source tracking the matter told businessline.
https://www.thehindubusinessline.com/news/govt-reviews-supply-chain-gaps-as-chinas-rare-earth-curbs-rattle-industry/article70449888.ece

DAC okays defence procurement proposals worth ₹79K cr to boost capabilities

The Defence Acquisition Council (DAC) on Monday approved the need to procure defence equipment worth about ₹79,000 crore for the armed forces. Commenting on the move, Union Defence Minister Rajnath Singh said, "The DAC meeting held today accorded Acceptance of Necessity (AoN) for various proposals of the three Services amounting to a total of about ₹79,000 crore. The ministry is working tirelessly to strengthen India's defence preparedness. The decisions taken today will help in enhancing operational capabilities of the Armed Forces."

https://www.business-standard.com/industry/news/gatc-certificate-private-entities-measuring-tools-pralhad-joshi-125122900642_1.html

After muted start, GST cuts boost consumer durables demand in 2025

The consumer durables industry had a year worth remembering. Even as 2025 started off slow with the summer season cut short by prolonged monsoon, slashing of the goods and services tax (GST) rates provided the industry the much-needed relief. Cooling appliance makers had started the year with high hopes, but an early arrival of monsoon splashed away their enthusiasm. For air conditioner (AC) major, Voltas, the year began on a positive note despite the high base of summer 2024.
https://www.business-standard.com/industry/news/gst-rate-cuts-spur-demand-slow-year-consumer-durables-125122901024_1.html

Agriculture

Rabi crop area rises marginally; wheat sowing flat: Govt data

Wheat planting for the 2024-25 rabi season shows little change. Area for pulses and oilseeds has seen a slight increase. Rice sowing is up marginally. Chickpea, lentil, and green gram sowing have exceeded last year's figures. Overall rabi crop area has grown compared to the previous year. Planting is nearing completion.
https://economictimes.indiatimes.com/news/economy/agriculture/rabi-crop-area-rises-marginally-wheat-sowing-flat-govt-data/articleshow/126232498.cms

Fertiliser imports surge 60% in Apr-Nov on strong demand

With an encouraging trend in winter crops sowing and robust monsoon rains, imports of urea, di-ammonium phosphate (DAP) and NPK variants of soil nutrients, have surged in the first eight months of the current fiscal year. Surge in shipment also indicates the government's thrust to ensure adequate supply of fertilisers in the ongoing rabi or winter season, but it may have implications for the subsidy bill.
https://www.financialexpress.com/business/news-fertiliser-imports-surge-60-in-apr-nov-on-strong-demandnbsp-4091682/

Infrastructure

IBC amendments don't address real estate sector issues: ICRA

The government's proposed bill to overhaul the insolvency and bankruptcy code (IBC) has largely ignored the stress in the real estate sector, said a report by ICRA. The agency said that the real estate sector-specific reforms have not been addressed in the current proposals despite real estate and construction sector accounting for the second highest share in cases ongoing insolvency cases."ICRA believes that structural reforms would be needed for the real estate sector as protecting homebuyers and resolution of stuck housing projects has been a focus area for the government," it said.
https://www.financialexpress.com/business/industry-ibc-amendments-dont-address-real-estate-sector-issues-icra-4091517/

Real estate companies battle worker shortage; mechanisation to the rescue

The real estate industry especially in the south, which is heavily dependent on migrant workers, is facing a severe shortage of labourers. Many workers who returned to their homes are not coming back due to better opportunities there. Some States are providing improved local employment opportunities and welfare schemes, say industry sources. However, mechanisation like Formwork and Aluform is helping them to tide over the issue.
https://www.thehindubusinessline.com/news/real-estate/real-estate-companies-battle-worker-shortage-mechanisation-to-the-rescue/article70448915.ece

Energy

Govt mulls revamp of LPG subsidy formula after state-run firms sign US supply contracts

India's government is considering a change to its LPG subsidy formula following state-run oil companies' first annual supply contracts with US exporters. Companies are advocating for the inclusion of US benchmark prices and higher transatlantic freight costs in the subsidy calculation to better reflect the economics of these imports.
https://economictimes.indiatimes.com/industry/energy/oil-gas/govt-mulls-revamp-of-lpg-subsidy-formula-after-state-run-firms-sign-us-supply-contracts/articleshow/126238809.cms

Petrochem profitability may remain muted due to oversupply: CareEdge

High import dependence coupled with strong consumption of major petrochemicals has resulted in domestic companies expanding their capacity across key petrochemical product segments, especially in polyvinyl chloride (PVC) and polypropylene (PP), said CareEdge Ratings in a report on Monday. While the PP capacity is expected to increase by 1.8 times between FY25 and FY30, the PVC capacity is expected to jump higher at 2.5 times relative to existing capacity.
https://www.financialexpress.com/business/industry-petrochem-profitability-may-remain-muted-due-to-oversupply-careedge-4091654/

CERC raps Inter-State Transmission Licensees for failing to submit performance reports

The Central Electricity Regulatory Commission (CERC) expressed “displeasure” and has taken a serious view of Inter State Transmission System (ISTS) licensees failing to submit their performance statistics, cases in which compensation was paid and aggregate amount of compensation. In a suo motu order last week, the regulator said “It is observed that almost all the Inter-State Transmission Licensees have not reported specified data as per the SOP Regulations. We express our displeasure with the Transmission licensees for failing to comply with the aforesaid Regulatory provisions.” The issue relates to time-bound sharing of certain operational metrics by the Inter State Transmission Licensees with the regulator.
https://www.thehindubusinessline.com/companies/cerc-raps-inter-state-transmission-licensees-for-failing-to-submit-performance-reports/article70449918.ece

Telecom

Government extends telecom equipment security certification scheme by one year, cuts lab testing fee

The government has extended its telecom equipment security certification scheme for another year, aiming to boost network expansion and technology adoption. Measures include reduced fees for testing labs and simplified security rules for fibre broadband devices, easing compliance for manufacturers. These steps support India's growing 5G and broadband infrastructure amidst rising cyber threats.
https://economictimes.indiatimes.com/industry/telecom/telecom-news/government-extends-telecom-equipment-security-certification-by-one-year-cuts-lab-testing-fee/articleshow/126235268.cms

States

States will gain ₹17,000 crore due to VB-G RAM G, says SBI paper

States are set to gain around ₹17,000 crore under the new fund-sharing formula and normative allocation framework of the Viksit Bharat Guarantee for Rozgar and Ajeevika Mission (Gramin), or VB-G RAM G, which has replaced the 20-year-old MGNREGA, according to a paper by SBI Research. The gain is calculated against the average allocation under MGNREGA over the past seven years. The paper said the new framework is based on a normative assessment of fund sharing between the Centre and states.
https://www.business-standard.com/india-news/states-gain-17000-crore-due-to-vb-g-ram-g-sbi-paper-125122900951_1.html

Uttar Pradesh set to unveil ₹65,000 crore infra projects in January

Uttar Pradesh is set to inaugurate two mega air and surface transport projects worth over ₹65,000 crore in the second half ofJanuary 2026. The projects, including the Noida International Airport (NIA) at Jewar in Greater Noida and the Meerut-Prayagraj Ganga Expressway are expected to be inaugurated by Prime Minister Narendra Modi. "The two projects, likely to be commissioned next month, will fuel the Yogi government’s ambitious $1 trillion agenda by boosting passenger and cargo movements," a senior official said.

https://www.business-standard.com/industry/news/uttar-pradesh-set-to-unveil-65-000-crore-infra-projects-in-january-125122901007_1.html

TASMA seeks 2 years extension of export obligation under advance license scheme

The Tamil Nadu Spinning Association (TASMA) has urged Commerce Minister Piyush Goyal to extend the export obligation (EO) for inputs imported under the advance authorisation scheme (AAS) by two years without any payment of the composition fee. In a letter to Goyal, TASMA chief advisor K Venkatachalam said that the extension was required to help spinning mills overcome the impact of the tariffs imposed by the US. Exports of yarn have been impacted by the US tariffs, while the prevailing geopolitical situation and uncertainty in the global market have made shipments of cotton yarn and knitted fabrics "unremunerative".
https://www.thehindubusinessline.com/economy/tasma-seeks-2-years-extension-of-export-obligation-under-advance-licence-scheme/article70449921.ece

Chinese raisin imports trigger price crash, Maharashtra growers seek govt action

Grape growers and raisin makers in Maharashtra have sought the government's action against traders allegedly importing Chinese raisins into the domestic market. They are blaming the imports for a sharp fall of nearly ₹40 per kg in wholesale prices over the past week. According to the Maharashtra Grape Growers Association, the raisin season in China began last month, following which Chinese raisins are exported to Dubai and then routed through Afghanistan to India. "This China raisin is being imported by some Indian players as Afghan raisin and sold in the market," the association alleged, claiming that the practice is distorting prices and misleading buyers.
https://www.thehindubusinessline.com/economy/agri-business/chinese-raisin-imports-trigger-price-crash-maharashtra-growers-seek-govt-action/article70449377.ece

Rajasthan govt to equip multi-storey buildings in state with solar energy

Multi-storey buildings in Rajasthan will be powered by solar energy, and a plan in this regard is ready and likely to be implemented soon, an energy department official said. The official said that the Rajasthan Electricity Regulatory Commission has given its approval and issued a notification to this effect. "As a result, the electricity bills of residents in these (multi-storey) buildings will be significantly reduced," he said.
https://www.business-standard.com/industry/news/rajasthan-govt-to-equip-multi-storey-buildings-in-state-with-solar-energy-125122900764_1.html

Raipur among 48 cities to double train operating capacity over five years

Raipur is among the 48 major cities identified by the Indian Railways to double the operating capacity of originating trains over a period of five years. According to the statement released by the Ministry of Indian Railways, the capacity of major cities to originate new trains needed to be doubled from the current level in the next 5 years in view of rapid, sustained growth in demand for travel.
https://www.business-standard.com/industry/news/raipur-among-48-cities-to-double-train-operating-capacity-over-five-years-125122900823_1.html

Healthcare

India's hospital industry to see 16-18% revenue rise in FY26: ICRA

The Indian hospital industry is expected to witness a revenue growth of 16 to 18 per cent in financial year 2025-26 (FY26), on the back of strong structural tailwinds, according to credit rating agency ICRA. Healthy occupancy and average revenue per occupied bed (ARPOB) are expected to support a "strong" industry performance, according to Mythri Macherla, vice president and sector head for corporate ratings at ICRA. "The performance of the Indian hospital industry is expected to remain strong in FY26 on the back of healthy occupancy and average revenue per occupied bed (ARPOB)," Macherla said.
https://www.business-standard.com/industry/news/indias-hospital-industry-to-see-16-18-per-cent-revenue-rise-in-fy26-on-high-occupancy-icra-125122900922_1.html

Health ministry unlikely to extend Schedule M GMP deadline for MSME pharma

With thousands of small drug manufacturers struggling to meet quality norms, the Union Health and Family Welfare Ministry is unlikely to give an extension to the deadline for complying with the revised good manufacturing practices (GMP) under Schedule M, according to people aware of the matter. “The health ministry, along with the Central Drugs Standard Control Organisation (CDSCO) is having consultation meetings with state governments and licensing authorities on a daily basis to discuss implementation of Schedule M,” sources in the ministry said.
https://www.business-standard.com/industry/news/schedule-m-extension-for-msme-pharma-firms-unlikely-125122901058_1.html

External

India, Bahrain exchange draft terms to begin trade pact talks

India and Bahrain are moving forward with trade talks. Draft terms for a Comprehensive Economic Partnership Agreement have been exchanged. A joint working group is being established. India is also in discussions with the GCC for a free trade pact, with terms for Qatar substantially finalized. These agreements aim to boost Indian exports and diversify trade routes.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-bahrain-exchange-draft-terms-to-begin-trade-pact-talks/articleshow/126237596.cms

India’s exports to Australia grew 8% in FY25 with strong gains across sectors: Goyal

India’s exports to Australia grew 8 per cent in FY25 (year-on-year) to $8.58 billion, improving India’s trade balance with strong gains across manufacturing, chemicals, textiles, plastics, pharmaceuticals, petroleum products and gems & jewellery, Commerce Minister Piyush Goyal has said. Australia eliminated import tariffs on 98.3 per cent of tariff lines (accounting for 96.4 per cent of India’s exports to Australia in value terms) on the first day of the implementation of the India-Australia Economic Cooperation and Trade Agreement (ECTA) on December 29, 2022.
https://www.thehindubusinessline.com/economy/indias-exports-to-australia-grew-8-in-fy-25-with-strong-gains-across-sectors-goyal/article70450388.ece

Govt exempts 14 copper products from QCO for one year

The government has granted a one-year exemption from mandatory quality control for certain imported copper products, specifically for actual users. This decision, made in consultation with the Bureau of Indian Standards, aims to facilitate the import of specialized copper for various sectors. Importers must adhere to specific conditions, including informing BIS and submitting an indigenisation plan.
https://economictimes.indiatimes.com/news/economy/foreign-trade/govt-exempts-certain-imported-copper-products-from-quality-control-order/articleshow/126233383.cms