

January 05, 2026 – Monday

Economy

India retail inflation likely inched up to 1.66% in December as food prices rise: Report

Retail inflation in India has likely edged up in December 2025 to 1.66 per cent from 0.71 per cent in November, with food prices strengthening across most segments of the food inflation basket, according to projections made by Union Bank of India. The retail inflation data for December 2025 CPI will be released on January 12, 2026 or the next working day if January 12 happens to be a holiday.
https://economictimes.indiatimes.com/news/economy/indicators/india-retail-inflation-likely-inched-up-to-1-66-in-december-as-food-prices-rise-report/articleshow/126333426.cms

Budget Expectations

Schemes on cards to give women more financial muscle; announcements likely in Budget 2026

Customised credit cards, loan products and women-focused insurance plans may be key announcements as the government is looking to build on the measures unveiled in the FY26 budget, including the Grameen Credit Score and credit support for first-time entrepreneurs.
https://economictimes.indiatimes.com/news/economy/policy/schemes-on-cards-to-give-women-more-financial-muscle-announcements-likely-in-budget-2026/articleshow/126339672.cms

Budget 2026-27 likely to signal new cooperative sector's ambition

The Union Budget for 2026-27 is expected to sketch out a road map for trebling the cooperative sector's contribution to the Indian economy over the next decade, with the aim of bringing 500 million people within its ambit, in line with the objectives of the National Cooperative Policy, 2025. Sources said the National Cooperative Policy, launched by the Union Minister for Cooperation Amit Shah in the national capital a few months ago, clearly articulated the need to constitute a task force to expand the number of people involved with cooperatives by 66 per cent from the existing 300 million, while ensuring the autonomous functioning of cooperatives and democratic control by their members.
https://www.business-standard.com/politics/budget-2026-27-likely-to-signal-new-cooperative-sector-s-ambition-126010400769_1.html

Finance

RBI top brass to meet NBFC chiefs

Reserve Bank of India (RBI) top brass will soon meet chiefs of select non-banking finance companies (NBFCs) in the backdrop of their credit growth outstripping banks' credit growth and their growing reliance on external funding. The meeting will be part of the Central bank's series of engagement with the Boards and Senior Management of its Regulated Entities.
https://www.thehindubusinessline.com/money-and-banking/rbi-top-brass-to-meet-nbfc-chiefs/article70471009.ece

Banks' asset quality getting better, gross NPAs at 10-year low

Indian banks show improved asset quality with declining bad loans. Special Mention Accounts and Gross Non-Performing Assets have fallen significantly. Stress in MSME and unsecured loans has also eased. While overall credit costs are stable, certain segments like micro-LAP and commercial vehicles require monitoring. Lenders report better collection efficiencies, indicating a positive trend in the banking sector.
https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-asset-quality-getting-better-gross-npas-at-10-year-low/articleshow/126339788.cms

Rupee, bond likely to open weak on Monday amid geopolitical concerns

The rupee is likely to open on a weak note on Monday, weighed down by persistent dollar demand by domestic market participants and lingering geopolitical concerns, dealers said. Short positions remain elevated, with traders continuing to buy dollars only after a brief bout of selling in the previous session. Uncertainty over global developments, including potential disruptions to India's oil imports from Venezuela, has also dampened sentiment.
https://www.business-standard.com/finance/news/rupee-bond-likely-to-open-weak-on-monday-amid-geopolitical-concerns-126010400375_1.html

2026 banking outlook: NIMs stable, assets healthy, liquidity key lifeline

The past year was marked by large foreign investment in the banking sector, policy rate cuts by the Reserve Bank of India (RBI) that compressed banks' margins, stress in the microfinance segment, and muted credit growth. For 2026, however, the outlook appears more optimistic, with expectations of a revival in credit growth — visible towards the end of last year — easing margin pressures, benign asset quality conditions, and a likely increase in sector investments, experts said.
https://www.business-standard.com/finance/news/2026-banking-outlook-nims-stable-assets-healthy-liquidity-key-lifeline-126010400369_1.html

CBDT Chairman Ravi Agrawal asks officials to be ready for transition to new I-T Act

The Income Tax Department is gearing up for a significant change. A new direct tax law will be implemented from April 1, 2026, replacing the old Act. CBDT Chairman Ravi Agrawal has urged officials to be ready and understand the new rules. Training and capacity building are underway to ensure a smooth transition.
https://economictimes.indiatimes.com/news/economy/policy/cbdt-chairman-ravi-agrawal-asks-officials-to-be-ready-for-transition-to-new-i-t-act/articleshow/126334551.cms

Tax hike raises risk of smuggling of tobacco products and revenue loss for govt: Experts

An unprecedented tax hike, coupled with a new excise duty structure on tobacco, could lead to a surge in illicit trade of cigarettes and result in significant tax revenue losses for the country, experts said. Earlier this week, the finance ministry notified amendments to the Central Excise Act, imposing an excise duty ranging from ₹2,050 to ₹8,500 per 1,000 sticks based on cigarette length, effective February 1. This duty will be over and above 40 per cent GST.
https://www.thehindubusinessline.com/news/tax-hike-raises-risk-of-smuggling-of-tobacco-products-and-revenue-loss-for-govt-experts/article70470587.ece

DoE to rationalise Central schemes; seeks inputs on clubbing, scrapping

The Department of Expenditure has launched its sweeping rationalisation drive to trim the number and financial outlay of Central Sector Schemes (CSs) and Centrally Sponsored Schemes (CSS), sources said. "With the current five-year cycle for most schemes set to expire by the fiscal-end and the fresh approval cycle beginning April 1, the DoE recently held a meeting with various Ministries and Departments directing them to submit formal restructuring proposals. The idea is to club together similar schemes and end redundant ones wherever possible," a source tracking the matter told businessline.
https://www.thehindubusinessline.com/economy/doe-to-rationalise-central-schemes-seeks-inputs-on-clubbing-scrapping/article70470537.ece

Industry

India's active companies cross the 2 million mark for the first time

Corporate India reached a significant milestone with over two million active companies. This surge highlights the economy's formalization and strong investor confidence. The number of operational companies grew rapidly, especially after the Covid-19 pandemic. This expansion occurred despite government efforts to close defunct businesses and crack down on shell companies. New company incorporations are high, with fewer closures.
https://economictimes.indiatimes.com/news/company/corporate-trends/indias-active-companies-cross-the-2-million-mark-for-the-first-time/articleshow/126339427.cms

Rural continued to outpace urban demand for FMCG industry in December quarter

For most FMCG companies, rural demand continued to outpace urban demand in the December quarter. This was even as the country witnessed festival season during this period and GST rate cuts were rolled out. "The GST disruptions have settled now and we are seeing an uptick in demand. Rural demand continues to grow ahead of urban India. We recognise that the rural consumer is a growth engine for Dabur. Through targeted initiatives such as expanding our rural footprint, enhancing last-mile connectivity and rolling out tailored product formats, we have deepened our engagement and trust in these communities," said Rehan Hasan, Head of Sales, Dabur India.
https://www.thehindubusinessline.com/companies/rural-continued-to-outpace-urban-demand-for-fmcg-industry-in-december-quarter/article70471077.ece

Stricter compliance: White goods companies to face action on appliance power consumption fouls

Manufacturers of ACs, refrigerators, and TVs will face penalties if their products fail energy efficiency tests or if star rating labels are tampered with. This new government measure aims to curb power usage by ensuring appliances meet their declared energy performance standards, following recent BEE findings of non-compliance.
https://economictimes.indiatimes.com/industry/cons-products/electronics/stricter-compliance-white-goods-companies-to-face-action-on-appliance-power-consumption-fouls-bee-star-rating/articleshow/126339761.cms

SUV demand holds steady in used market despite GST-led price cuts

India's used-car market continues to tilt decisively toward SUVs, even as small cars are becoming affordable under the revised GST regime. Sport utility vehicles are clocking faster inventory turnover and holding on to stronger residual values than hatchbacks, according to industry executives. Data from used-car platforms suggest that buyer preferences have remained broadly stable post-GST, with SUVs retaining their dominance even as price adjustments played out across segments. While hatchbacks saw a moderation of about 21 per cent following pricing changes, SUVs recorded a sharper adjustment of around 29 per cent, but managed to preserve demand more effectively.
https://www.business-standard.com/industry/auto/suvs-outpace-small-cars-used-market-gst-relief-india-126010400121_1.html

Apparel brands advanced year-end festival sales to clear winter stocks

Apparel brands have launched their year-end sales earlier to resolve piled-up inventory, and offset the sluggish uptake of winter wear garments. Fashion brands like H&M, Uniqlo, Levi's, and Marks & Spencer, along with multi-brand retailers like Lifestyle and e-commerce websites, launched their year-end sales as early as mid-December. "This was a two-pronged departure from usual practice. Usually, festival sales start closer to Christmas or New Year, but this year they started almost two weeks before that. This also meant that there was not much gap between the year-end festival sale and the Black Friday, which was held on November 28," a merchandise executive at a global apparel brand who did not wish to be named, told Business Standard.
https://www.business-standard.com/industry/news/apparel-brands-launch-festival-sales-earlier-on-slow-winter-wear-demand-126010400433_1.html

Q3FY26 results preview: IT companies' growth likely to remain muted

With discretionary spending still under pressure, the information technology (IT) services industry continued to face an uncertain demand environment in the third quarter of 2025-26 (Q3FY26). This may nudge companies to rely on cost-takeout and efficiency-led programmes to drive growth well into the second half of FY26. According to Bloomberg estimates, the top six IT services players were estimated to have revenue growth in the range of 1 per cent to 4 per cent, sequentially. On a year-on-year basis, companies may show improvement in growth.

https://www.business-standard.com/industry/news/q3fy26-results-preview-it-companies-growth-likely-to-remain-muted-126010400551_1.html

India Inc gears up for broader adoption of AI

India Inc may not be at the forefront of cutting-edge technological development, but it is gearing up for large-scale adoption of artificial intelligence, with large enterprises beginning to rework organisational structures, workflows and leadership roles to embed AI across operations. That shift has been most clearly articulated by Reliance Industries, where chairman Mukesh Ambani recently talked about framing AI as a new operating model rather than a bolt-on technology.
https://www.financialexpress.com/business/news/india-inc-gears-up-for-broader-adoption-of-ai/4097116/

Agriculture

Centre unveils 184 climate-resilient seed varieties across 25 crops to combat climate change

In a significant boost to India's agricultural research and seed development ecosystem, Union Agriculture Minister Shivraj Singh Chouhan on Saturday dedicated climate resilient 184 improved varieties of 25 crops to the nation, underscoring the government's thrust on raising productivity and farmers' incomes. Addressing a gathering of scientists and government staff to witness the release, Chouhan said India has achieved "unprecedented success" in the development of high-yielding seeds. Since the initiation of the gazette notification process in 1969, a total of 7,205 crop varieties have been notified across cereals, pulses, oilseeds, fiber and other crops.
https://www.thehindubusinessline.com/economy/agri-business/centre-unveils-184-climate%E2%80%90resilient-seed-varieties-across-25-crops-to-combat-climate-change/article70470541.ece

India becomes world's largest rice producer, surpasses China: Agri minister

India has become the world's largest rice producer, beating China, with a total output of 150.18 million tonnes, Union Agriculture Minister Shivraj Singh Chouhan said on Sunday, as he released 184 new varieties of 25 crops. These new high-yielding seed varieties would boost crop production and enhance farmers' income, he said, while directing the ministry officials to ensure that these new varieties reach farmers quickly.
https://www.business-standard.com/industry/agriculture/india-becomes-world-s-largest-rice-producer-surpasses-china-agri-minister-126010400529_1.html

Infrastructure

Unsold homes rise 4% in 2025 across top 7 cities as supply outpaces demand

Unsold housing units rose 4 per cent to nearly 5.77 lakh units last year across seven major cities as supply of new homes exceeded demand, according to Anarock. Real estate consultant Anarock data of the primary residential market showed that the unsold housing units across seven major cities were 5,76,617 units at the end of 2025 from 5,53,073 units at the end of the preceding year.
https://www.business-standard.com/industry/news/unsold-homes-rise-4-in-2025-across-top-7-cities-as-supply-outpaces-demand-126010400294_1.html

Energy

US control of Venezuelan oil may unlock $1 bn stuck dues for India, lift output

A US-led takeover or restructuring of Venezuela's oil sector could deliver a direct benefit to India, potentially unlocking close to $1 billion in long-pending dues while accelerating the revival of crude production from fields it operates in the sanctions-hit Latin American nation, analysts and industry sources said. India was once a major processor of Venezuelan heavy crude, importing more than 4,00,000 barrels per day at peak levels, until sweeping US sanctions and rising compliance risks forcibly shut down purchases in 2020.
https://www.thehindubusinessline.com/markets/commodities/us-control-of-venezuelan-oil-may-unlock-1-bn-stuck-dues-for-india-lift-output/article70470414.ece

India's coal import rises in Nov, set to fall as domestic supply grows

India's coal imports, which jumped 28.1 per cent in November, is expected is see a decline in the coming months on account of increased availability of domestic resources, according to industry data. Imports in November rose to 25.07 million tonnes (MT) as against 19.57 MT imported in November 2024, according to data compiled by mjunction services ltd, a B2B e-commerce platform and joint venture of SAIL and Tata Steel.
https://www.business-standard.com/industry/news/india-s-coal-import-rises-in-nov-set-to-fall-as-domestic-supply-grows-126010400149_1.html

India's LNG-powered trucks and fuel retail underperformed in 2025

The performance of liquefied natural gas (LNG) in India last year was not encouraging from the environment point of view. Outlets selling LNG, which, the oil industry says, has the potential to transform fuel use by 2030, and trucks running on this fuel have underperformed. Unlike China, which has witnessed scorching growth, the Government of India does not offer any incentives for LNG in transport, industry sources said.
https://www.business-standard.com/industry/news/india-s-lng-powered-trucks-and-fuel-retail-underperformed-in-2025-126010400576_1.html

Telecom

Telecom subscriber churn stays high as competition heats up

TRAI data through much of 2025 show monthly MNP requests consistently at 14-15 million, indicating persistently high churn. Cumulative MNP requests crossed the 1 billion mark in July 2024 when India was processing around 11 million porting requests per month. Ever since, churn has remained elevated at 12-15 million, with cumulative MNP requests crossing 1.23 billion in November 2025.
https://economictimes.indiatimes.com/industry/telecom/telecom-news/telecom-subscriber-churn-stays-high-as-competition-heats-up/articleshow/126339388.cms

States

States' subsidies account for around 8% of their revenue expenditure

State governments continue to devote a sizeable share of their budgets to subsidies, underscoring their role in welfare delivery while intensifying pressure on public finances. Support directed largely to the power and agriculture sectors remains a major component of states' revenue expenditure, raising concerns about fiscal sustainability and the limited headroom available for capital investment. In 2023-24, states spent about ₹3.30 lakh crore on subsidies, making them one of the largest items within revenue expenditure.
https://www.financialexpress.com/policy/economy/states-subsidies-account-for-around-8-of-their-revenue-expenditure/4097057/

UP 'Shri Anna' farmer show strong preference for govt procurement over open market sales

Procurement of 'Shri Anna', which commenced on October 1, has now been successfully completed. This year, a total of 2.13 lakh metric tonnes of millet, 43,562 metric tonnes of sorghum, and 12,208 metric tonnes of maize were procured across the state. Millet procurement was carried out in 33 districts, maize in 25 districts, and sorghum in 11 districts.
https://economictimes.indiatimes.com/news/economy/agriculture/up-shri-anna-farmer-show-strong-preference-for-govt-procurement-over-open-market-sales/articleshow/126335850.cms

Andhra tops India investment chart, secures 25.3% of proposed FY26 capital

Andhra Pradesh has emerged as India's top investment destination, capturing 25.3 per cent of all proposed investments in the first nine months of current fiscal (FY26), according to a Bank of Baroda report. The state now leads peers such as Odisha (13.1 per cent) and Maharashtra (12.8 per cent), signalling a shift in industrial momentum toward the eastern and southern corridors.
https://www.business-standard.com/india-news/andhra-tops-india-investment-chart-secures-25-3-of-proposed-fy26-capital-126010400282_1.html

Chhattisgarh proposes ₹1.25 trn govt investment in former Naxal areas

The Chhattisgarh government has proposed an investment of Rs 1.25 trillion for the development of former Naxal-affected regions, aimed at expanding basic infrastructure and administrative reach in remote districts, Chief Minister Vishnu Deo Sai said on Tuesday during a media interaction in New Delhi. Sai did not share a detailed breakup of the investment proposal but said the government has assured electricity, drinking water, healthcare facilities and schools across all seven Naxal-affected districts by 2030. A senior state government official said the plan is to spend the funds on building roads and mobile towers, apart from tourism infrastructure.
https://www.business-standard.com/economy/news/chhattisgarh-proposes-1-25-trn-govt-investment-in-former-naxal-areas-126010400580_1.html

Healthcare

DoP invites proposals under two schemes to cut medtech import reliance

With India importing around 70 per cent of its medical device needs, the Centre has asked for proposals under its marginal investment sub-schemes to reduce import dependence and support medtech clinical studies, more than a year after they were first announced. These schemes are part of a Rs 500 crore package initiated by the Department of Pharmaceuticals to strengthen the Indian medical device industry in November 2024.
https://www.business-standard.com/industry/news/dop-invites-proposals-medtech-schemes-reduce-import-dependence-126010400128_1.html

Record health insurance claims settled in FY25, average payout per claim declines

Indian insurers settled a record number of health claims in FY25. Settlement ratios improved significantly, with fewer claims rejected. Average payouts per claim decreased due to wider policy coverage. Cashless treatments continued to dominate claim payments. Regulators pushed for faster, more transparent settlements, leading to improved processing times and tighter oversight.
https://economictimes.indiatimes.com/industry/banking/finance/insure/record-health-insurance-claims-settled-in-fy25-average-payout-per-claim-declines/articleshow/126339512.cms

External

Piyush Goyal to visit Brussels this week for India-EU trade pact

Commerce and Industry Minister Piyush Goyal will visit Brussels this week for talks with his EU counterpart on the proposed trade pact, for which negotiations are in the last phase, an official said. During the two-day visit on January 8-9, Goyal will meet the Executive Vice-President and European Commissioner for Trade of the European Union, Maros Sefcovic. The minister will leave tomorrow night, the official said.
https://www.business-standard.com/economy/news/piyush-goyal-to-visit-brussels-this-week-for-india-eu-trade-pact-126010400608_1.html

AYUSH gets recognition in India's free trade pacts with Oman, New Zealand

The commerce ministry on Sunday said India's traditional medicine system - AYUSH - has received formal recognition in bilateral trade agreements with Oman and New Zealand. Both the agreements, which were finalised last year in December, have dedicated annexures on health-related services and traditional medicine. "India's traditional medicine systems (AYUSH) have also received formal recognition in bilateral trade agreements, including the India-Oman CEPA and the India- New Zealand FTA," it said.
https://www.business-standard.com/economy/news/ayush-gets-recognition-in-india-s-free-trade-pacts-with-oman-new-zealand-126010400602_1.html