

January 06, 2026 – Tuesday

Economy

Govt weighs shift to NDP from GDP as key metric of economy

India is looking at Net Domestic Product as a key economic indicator. This move aligns with United Nations' SNA 2025 guidelines. NDP accounts for asset depreciation and resource depletion, offering a clearer picture of economic costs. The statistics ministry is preparing for this change, with implementation planned for 2029-30. A revised GDP base year is also coming soon.
https://economictimes.indiatimes.com/news/economy/policy/govt-weighs-shift-to-ndp-from-gdp-as-key-metric-of-economy/articleshow/126358594.cms

India shows strong public trust in tax system: Global survey

India continues to demonstrate relatively high public trust in its tax system, with strong tax morale and a growing perception of taxation as a civic responsibility, according to a new international survey released by global accountancy and policy bodies. The survey, Public Trust in Tax 2025: Asia and Beyond, conducted by ACCA, IFAC, Chartered Accountants Australia and New Zealand, and the OECD, covered more than 12,000 respondents across 29 countries, primarily in Asia. Findings show that Asia leads globally in confidence in tax fairness, with India standing out among major economies.
https://economictimes.indiatimes.com/news/economy/policy/india-shows-strong-public-trust-in-tax-system-global-survey/articleshow/126348487.cms

Centre pushes to merge, rationalise schemes to improve efficiency

The finance ministry has directed all government departments and ministries to rationalise centrally sponsored and central sector schemes to improve efficiency and merge overlapping schemes. The exercise is to be completed by March, a senior government official told Business Standard. “The expenditure department (under the Ministry of Finance) wants to rationalise central sector and centrally sponsored schemes. Similar schemes, or those not achieving the desired outcomes, should be discontinued or merged wherever possible. Currently, there are a large number of schemes. Rationalisation will help in better monitoring,” the official said.
https://www.business-standard.com/economy/news/centre-pushes-to-merge-rationalise-schemes-to-improve-efficiency-126010400345_1.html

Budget Expectations

Budget 2026 needs to lock in India's new-age future & shift power to home

As India prepares its Union Budget 2026-27, experts are urging targeted policy support for data centres, AI, and robotics. This focus aims to diversify services exports towards higher-value digital offerings, enhancing economic resilience against global trade volatility and positioning India as a leader in new-age technologies.
https://economictimes.indiatimes.com/news/economy/policy/budget-2026-needs-to-lock-in-indias-new-age-future-shift-power-to-home/articleshow/126346649.cms

RAI urges government to expedite formulation and implementation of the National Retail Policy

The Retailers Association of India (RAI) has urged the government to expedite the formulation and implementation of the National Retail Policy to bring in a unified policy framework to reduce regulatory complexity, improve ease of doing business and encourage investments. The industry body in its pre-budget recommendations has also urged the government to incentivise States to adopt the Model Shops and Establishments Act.
https://www.thehindubusinessline.com/companies/rai-urges-government-to-expedite-formulation-and-implementation-of-the-national-retail-policy/article70475050.ece

Experts forecast conservative tax targets for FY27

As the Union Budget for FY2026-27 approaches, tax experts foresee the government adopting a realistic yet cautious approach while setting tax collection targets for 2026-27. For the direct tax collections, the estimates range from Rs 27-29 lakh crore. For the gross tax revenue (GTR), which includes indirect taxes and cesses, a moderate 6-8% growth is predicted over actual FY26 collections. Deloitte Tax Partner Rohinton Sidhwa noted that while all efforts are being made to meet this year's direct tax collection target of Rs 25.2 lakh crore, massive rate cuts for individual taxpayers might temper year on year growth in the receipts. However, he said that greater scrutiny prior to refund releases has effectively boosted net collections mid-year.
https://www.financialexpress.com/business/news/experts-forecast-conservative-tax-targets-for-fy27/4098321/

Finance

Bank loan-to-deposit ratios at all-time highs raise concern

Banking system's loan-to-deposit ratios hit an all-time high of 81% in December quarter, signaling a widening gap between credit growth and deposit mobilization. Major lenders like HDFC Bank saw their LDRs approach 100%, prompting concerns about potential deposit rate hikes or limited scope for passing on RBI rate cuts.
https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-loan-to-deposit-ratios-at-all-time-highs-raise-concern/articleshow/126360084.cms

RBI eases related-party lending norms, allows run-off of existing exposures

The Reserve Bank of India (RBI) on Monday issued the final guidelines on lending to related parties, easing several provisions from the draft norms, including allowing existing non-compliant transactions to continue till maturity. The draft guidelines were released on October 3. The aim was to provide a harmonised, principle-based framework to be adopted by regulated entities for lending to related parties and suitably rationalising the existing provisions.
https://www.financialexpress.com/business/banking-finance-rbi-eases-related-party-lending-norms-allows-run-off-of-existing-exposures-4098362/

Closely monitor asset quality, RBI Governor Sanjay Malhotra tells NBFCs

Reserve Bank of India (RBI) Governor Sanjay Malhotra on Monday emphasised the need for sound underwriting standards and close monitoring of asset quality during a meeting with the chief executive officers of non-banking finance companies (NBFCs). The meeting was part of the RBI's ongoing engagement with regulated entities. The participating NBFCs together account for about 53 per cent of the sector's total assets, the central bank said in a statement.
https://www.business-standard.com/finance/news/rbi-guv-flags-asset-quality-risks-urges-sound-underwriting-at-nbfc-meet-126010501125_1.html

SBI bets on rupee trade to deepen India–Israel economic ties

The State Bank of India (SBI), the only Indian bank with a presence in Israel, is preparing to facilitate trade settlement between the two countries in Indian rupees, a move aligned with New Delhi's broader push to internationalise the currency and reduce dependence on the dollar in cross-border trade. As India and Israel push to elevate their strategic partnership—alongside renewed momentum on a long-pending free trade agreement—State Bank of India is positioning itself at the centre of the next phase of bilateral commerce.
https://economictimes.indiatimes.com/news/economy/foreign-trade/sbi-bets-on-rupee-trade-to-deepen-indiaisrael-economic-ties/articleshow/126347070.cms

SFBs records broad-based gains, despite MFI headwinds

Small Finance Banks (SFBs) reported a strong, broad-based expansion in both advances and deposits, indicating the sector's resilience despite pressures in the microfinance segment. On the lending side, Suryoday SFB led the pack reporting a 23.5% year-on-year (Y-o-Y) growth in gross advances, followed closely by Ujjivan SFB at 21.6% and Capital SFB at 19.8%. AU SFB, the largest in the category, maintained its growth momentum with a 19.3% rise, taking its loan book to nearly Rs 1.3 lakh crore for the Q3 ended December 2025.
https://www.financialexpress.com/business/banking-finance-sfbs-records-broad-based-gains-despite-mfi-headwinds-4098378/

Payments Regulatory Board takes up issues in payment systems in 1st meeting

The Payments Regulatory Board (PRB), chaired by Reserve Bank of India (RBI) Governor Sanjay Malhotra, held its first ever meeting on Monday, where the board reviewed the functions of the Department of Payment and Settlement Systems (DPSS) and discussed key focus areas across domestic and global payment systems. Additionally, the draft Payments Vision 2028 was presented at the meeting. The members offered strategic guidance to support the continued development of India's payments ecosystem, the RBI said in a release.
https://www.business-standard.com/finance/news/prb-holds-first-meeting-reviews-domestic-and-global-payment-systems-126010501113_1.html

Pricing to remain key in largely stable corporate bond market in 2026

A neutral monetary policy stance, heavy government borrowing, and issuers adjusting to a higher-for-longer yield environment have set the stage for a largely stable corporate bond market in 2026. Despite a 125-basis-point cut in the policy repo rate since February 2025, bond yields remain elevated, suggesting that pricing this year will be driven more by demand-supply dynamics, maturity preferences, and global factors than by expectations of further policy easing. With yields staying high, bank loan rates — following transmission of rate cuts — have become more attractive for borrowers rated just below AAA, who were already finding it difficult to raise funds at favourable rates in the bond market.
https://www.business-standard.com/finance/news/pricing-to-remain-key-in-largely-stable-corporate-bond-market-in-2026-126010500975_1.html

Industry

DLI scheme for semiconductor start-ups delivers chip tape-outs, patents and chip fabrications

India's design linked incentive (DLI) scheme for semiconductor design start-ups is scaling rapidly and is beginning to show results, as per data released by the government. The scheme has enabled completion of 16 chip tape-outs, fabrication of six ASIC chips, spurred 10 patents, and has trained/engaged with over 1,000 engineers engaged, the government said in a statement on Sunday. "Beneficiaries have also developed more than 140 reusable semiconductor IP cores, which serve as critical enablers for advanced chip development," it added.
https://www.thehindubusinessline.com/info-tech/dli-scheme-for-semiconductor-start-ups-delivers-chip-tape-outs-patents-and-chip-fabrications/article70473738.ece

Structural constraints hinder ebikes' adoption: OEMs to NITI Aayog

Major two-wheeler manufacturers told the NITI Aayog during a meeting held a few months ago that the near-absence of electric motorcycles (ebikes) in India was not due to weak demand but a set of structural constraints ranging from high financing costs and unviable charging economics to product limitations and policy gaps that were discouraging companies from launching and scaling such models, Business Standard has learnt. Major companies such as Hero MotoCorp, Ather Energy, Ola Electric, Royal Enfield, Matter Motor, Raptee.HV, OdyseeEV, and Gravton Motors participated in this meeting, according to government and industry officials familiar with the matter.
https://www.business-standard.com/industry/auto/structural-constraints-hinder-ebikes-adoption-oems-to-niti-aayog-126010500929_1.html

FMCG companies' Q3 could be a tale of two halves amid GST transition

Fast-moving consumer goods (FMCG) companies are expected to reflect the transient impact of the new goods and services tax (GST) rates in the third quarter of 2025-26 (FY26) (October–December/Q3), with volume recovery likely

to improve sequentially, according to brokerages. Companies observed that supply chains focused on liquidating higher-priced inventory, which had adjusted following GST rate cuts on many FMCG products.
https://www.business-standard.com/economy/news/q3fy26-results-preview-fmcg-companies-likely-to-see-gst-cut-impact-126010501021_1.html

India's tech start-up ecosystem hits lowest funding in 5 years in 2025: Tracxn

Funding for India's tech start-up ecosystem reached its lowest in five years, at $11.1 billion in 2025, indicating a broader structural shift in investor behaviour toward capital efficiency, selective scaling, and stronger exit discipline amid volatile market conditions, said Tracxn. The Indian tech start-up ecosystem reached its funding peak in 2021, raising a record amount of $38.9 billion. However, since then the ecosystem observed a gradual correction with total start-up funding declining by 13 per cent year-on-year (y-o-y), alongside a moderation in large-ticket deals. Moreover, the number of $100 million-plus funding rounds fell to 14 in 2025, compared to 20 in the previous year.
https://www.thehindubusinessline.com/info-tech/indias-tech-start-up-ecosystem-hits-lowest-funding-in-5-years-in-2025-tracxn/article70474890.ece

Agriculture

Rabi fertiliser bill rises by ₹736 crore as Centre steps up nutrient-based subsidy support

The Union government has estimated a tentative fertiliser requirement of ₹37,952 crore for the Rabi 2025-26 season, which is about ₹736 crore higher than the outlay for the Kharif 2025 season, reflecting higher support for key soil nutrients amid volatile global prices. As per the government statement, the increase comes as international prices of fertilisers and raw materials remain uncertain. To prevent these costs from being passed on to farmers, the government sharply enhanced subsidies under the Nutrient-Based Subsidy (NBS) scheme, especially for Di-Ammonium Phosphate (DAP), whose subsidy jumped to ₹29,805 per tonne, up from ₹21,911 last year.
https://www.thehindubusinessline.com/economy/agri-business/rabi-fertiliser-bill-rises-by-736-crore-as-centre-steps-up-nutrient-based-subsidy-support/article70473622.ece

India's wheat acreage rises to a record high as farmers see the crop as most remunerative

Wheat acreage has increased to a record high during the current rabi season, exceeding last year's final area of 328 lakh hectare (lh). Farmers have preferred the key winter cereal in view of a bearish price trend in most other crops. If the current conducive weathe continues for another two-three months, India is well poised to harvest another record crop, potentially help lift a four-year-long ban on export.
https://www.thehindubusinessline.com/economy/agri-business/indias-wheat-acreage-rises-to-a-record-high-as-farmers-flock-see-it-as-most-remunerative/article70474633.ece

Infrastructure

Small private shipyards raise concern over reduced incentive for electric and green ships

Small private Indian shipyards have raised concern over the Centre reducing incentives for electric and green vessels (solar, electric and green) to 15 per cent from 25 per cent stating this would discourage shipowners from adopting clean technologies. The Shipbuilding Financial Assistance Scheme (SBFAS) Guidelines issued on December 25 policy shift risks slowing innovation, discouraging shipowners from adopting clean technologies, and undermining the decarbonisation of coastal and inland waterways, said sources.
https://www.thehindubusinessline.com/economy/logistics/small-private-shipyards-raise-concern-over-reduced-incentive-for-electric-and-green-ships/article70470384.ece

Highway sector at crossroads as low central awards boost state role: Ind-Ra

India Ratings and Research (Ind-Ra) on Monday said India's highway sector is facing challenges, with muted central road award activity for the past two years, leading to increased competition and persistent project execution issues. The rating agency further said that although state awards have come to the rescue, the sector is likely to witness subdued revenue and margins.
https://www.business-standard.com/industry/news/highway-sector-at-crossroads-as-low-central-awards-boost-state-role-ind-ra-126010500802_1.html

Energy

India’s palm oil imports hit 8-month low in December

India's palm oil imports dropped significantly in December, reaching an eight-month low. This decline was driven by reduced winter demand and refiners opting for soyoil and sunflower oil. Total edible oil imports saw an increase due to these rival oil purchases. This shift could impact global oil inventories and prices.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-palm-oil-imports-hit-8-month-low-in-december/articleshow/126347593.cms

SHANTI Act can spur nuclear power deployment in India: Fitch-BMI

India’s SHANTI Act is a game-changer for the nation’s nuclear energy ambitions. The law promotes the adoption of advanced reactor designs while inviting global enterprises to participate in its energy evolution. By simplifying financial uncertainties associated with nuclear projects, it is anticipated to fuel investor confidence and accelerate the realization of India's nuclear goals.
https://economictimes.indiatimes.com/industry/renewables/shanti-act-can-spur-nuclear-power-deployment-in-india-fitch-bmi/articleshow/126349297.cms

Soaring raw materials costs leave solar power industry reeling

Solar power consumers may have to pay more for the installation of panels, wiring and other components such as inverters, as the prices of silver, copper and aluminium, the primary raw materials, have soared. However, it is unlikely to have any impact on solar power charges since the energy sector enjoys a huge cost advantage over the others.
https://www.thehindubusinessline.com/economy/soaring-raw-materials-costs-may-pinch-solar-power-industry-hard/article70470236.ece

Telecom

Telecom industry wants another technology evaluation of D2M broadcasting

The Indian telecom industry has asked the government to re-do technical evaluation of direct-to-mobile (D2M) broadcasting. This raises concerns that the process conducted earlier by Prasar Bharati excluded participation of telcos and device ecosystem players, among stakeholders. The Cellular Operators Association of India (COAI), which represents Reliance Jio, Bharti Airtel and Vodafone Idea, has argued that absence of stakeholder participation, particularly telecom operators whose networks and spectrum resources are directly impacted by the technology, confines the scope of evaluation to only interference and device heating.
https://www.business-standard.com/industry/news/telcos-ask-govt-to-re-do-technology-evaluation-of-d2m-broadcasting-126010501131_1.html

States

Piyush Goyal announces six skill development centres in Uttar Mumbai

Union Minister Piyush Goyal has announced the setting up of six advanced skill development centres across the six assembly constituencies of Uttar Mumbai, a statement said on Monday. Union Commerce and Industry Minister Goyal is a Lok Sabha member from Uttar Mumbai. One centre, Atal Bihari Vajpayee Kaushalya Vikas Kendra, is already functional in Kandivali East, it said.
https://economictimes.indiatimes.com/industry/services/education/piyush-goyal-announces-six-skill-development-centres-in-uttar-mumbai/articleshow/126356021.cms

UP govt plans to develop 3,000 sq km land flanking Yamuna Expressway

To boost industrial growth in the National Capital Region (NCR), the Yogi Adityanath government plans to develop about 3,000 sq km of land flanking the 165-km Yamuna Expressway in western Uttar Pradesh. The expressway's robust connectivity with Delhi, Agra and the NCR has augmented its investment quotient for the manufacturing,

services and logistics sectors. The planned development area will include industrial, residential, commercial and mixed-use zones, while aiming to curb unregulated urbanisation in the region.
https://www.business-standard.com/industry/news/up-govt-plans-to-develop-3-000-sq-km-land-flanking-yamuna-expressway-126010500878_1.html

Kerala govt to hand over paddy procurement to cooperative societies

The Kerala government has decided to entrust paddy procurement to cooperative societies, shifting to a farmer-centric, two-tier system aimed at ensuring quicker payments and reducing delays. The decision was taken at a high-level meeting chaired by Chief Minister Pinarayi Vijayan here, a release from the Chief Minister's Office (CMO) said on Monday. The government said timely procurement would prevent crop damage and help farmers receive payments at the time of purchase itself.
https://www.business-standard.com/industry/agriculture/kerala-to-hand-over-paddy-procurement-to-cooperatives-from-next-season-126010500649_1.html

Healthcare

India's diagnostics pivots to precision tests as high-value segments grow

India’s diagnostics industry is undergoing a structural shift in 2026 as companies increasingly pivot towards preventive and precision testing, with lifestyle profiling, gut health and oncogenomics emerging as the fastest-growing segments amid rising health awareness and post-pandemic changes in patient behaviour. Industry leaders say demand for these higher-value tests aimed at early disease detection, personalised treatment and long-term health management has been expanding far faster than routine pathology. As a result, precision and preventive diagnostics now contribute an estimated 15 to 25 per cent of revenues for leading players, a share that is expected to double over the next two to three years.
https://www.business-standard.com/industry/news/india-s-diagnostics-pivots-to-precision-tests-as-high-value-segments-grow-126010500885_1.html

External

New Zealand exporter bets on Indian growers to fuel kiwifruit demand

New Zealand’s biggest kiwifruit exporter is betting that helping Indian farmers grow more of the fruit — not less — will drive demand in one of the world’s fastest-growing consumer markets. The strategy follows a free-trade agreement announced in late December that will cut tariffs on New Zealand kiwifruit exports to India and also triggers a program designed to boost local production by sharing New Zealand expertise.
https://economictimes.indiatimes.com/small-biz/trade/exports/insights/new-zealand-exporter-bets-on-indian-growers-to-fuel-kiwifruit-demand/articleshow/126344940.cms

US President Trump warns India of even higher tariffs over Russia oil

United States President Donald Trump has warned that Washington could raise further tariffs on Indian exports if New Delhi does not stop buying Russian oil, adding fresh uncertainty to efforts to strike a trade deal between the two countries. “They (India) wanted to make me happy, basically. (Prime Minister Narendra) Modi is a very good man; he is a good guy. He knew I was not happy, and it was important to make me happy. They do trade and we can raise tariffs on them very quickly. It would be very bad for them,” Trump told reporters aboard Air Force One, referring to India’s recent reduction in purchases of Russian crude oil.
https://www.business-standard.com/economy/news/trump-warns-of-higher-tariffs-if-india-does-not-stop-buying-russian-oil-126010500774_1.html

Govt removes import restrictions on low ash metallurgical coke

The government has removed import restrictions on low ash metallurgical coke, having ash content below 18 per cent, according to a notification. On December 31, the Directorate General of Foreign Trade (DGFT), in a notification, said it is extending import restrictions on low-ash metallurgical coke from January 1 till June 30, 2026.
https://www.thehindubusinessline.com/markets/commodities/govt-removes-import-restrictions-on-low-ash-metallurgical-coke/article70475187.ece