

January 12, 2026 – Monday

Economy

December retail inflation seen between 1.6-1.7%

With food prices on the rise, retail inflation based on the Consumer Price Index (CPI) is likely to have surged up between 1.6 per cent to 1.7 per cent in December. The rate was 0.71 per cent in November. The Statistics Ministry will release the data officially on Monday. Though there could be a significant rise in the headline number, it will still be lower than the median rate of the targeted inflation range, i.e., 4 per cent and even lower than the lower band of range i.e., 2 per cent. There is a possibility of another round of rate cut in February or April meeting of the Monetary Policy Committee.
https://www.thehindubusinessline.com/economy/december-retail-inflation-seen-between-16-17/article70497315.ece

Budget Expectations

Budget 2026-27: Govt likely to amend law to speed up debt recovery

The Centre is likely to propose amendments to the Recovery of Debt and Bankruptcy Act (RDB Act), 1993, in the upcoming 2026-27 (FY27) Union Budget to redefine the jurisdiction and workload of Debt Recovery Tribunals (DRTs). According to a senior government official, the move would allow certain DRTs to focus on high-value cases, speeding up recoveries and unclogging tribunals burdened with low-value litigation. "Under the proposed changes, the Centre would be empowered to specify one or more DRTs to exclusively handle applications involving debts above a notified amount, which may vary across regions," said the official.
https://www.business-standard.com/economy/news/budget-2026-27-govt-likely-to-amend-law-to-speed-up-debt-recovery-126011100533_1.html

Small, mid-sized NBFC-MFIs hope for a credit guarantee fund announcement in Union Budget

With just 20 days to go for the Union Budget, small and mid-sized NBFC-MFIs (non-banking finance company – microfinance institutions) are hoping that a credit guarantee scheme – mooted by the industry bodies last year for getting banks to re-open the credit tap for them – will become a reality. It may be pertinent to mention that in August 2025, Sa-Dhan and MFIN, the Self-Regulatory Organisations (SROs) in the MFI sector, had made a pitch to the government, requesting it to put in place a ₹20,000-crore credit guarantee scheme. However, there has been no word so far from the authorities in this regard.
https://www.thehindubusinessline.com/money-and-banking/small-mid-sized-nbfc-mfis-hope-for-a-credit-guarantee-fund-announcement-in-union-budget/article70498308.ece

Steps to stem FPI outflows likely in Budget

The government may explore targeted measures in the upcoming Union Budget for FY27 to boost foreign portfolio inflows into Indian equities and stabilise markets. The steps may include specific tax concessions and calibrated easing of some macro prudential norms, where they have proven to be redundant barriers to higher capital inflows into the country, according to people privy to the discussions on the matter.

https://www.financialexpress.com/policy/economy/steps-to-stem-fpi-outflows-likely-in-budget/4103903/

Micro-fertiliser industry seeks uniform 5% GST, faster credit refunds ahead of Budget

The Indian Micro-Fertilizers Manufacturers Association has urged the Centre to extend the 5 per cent GST across all fertilisers notified under the Fertiliser Control Order, expedite refunds of excess GST credits, and implement a unified licensing system ahead of the Union Budget. While acknowledging GST 2.0 as a "landmark reform" for the sector, particularly the reduction in GST from 12 per cent to 5 per cent on Schedule 1G items and their mixtures, the industry body said manufacturers are now facing an inverted duty structure on certain inputs where raw materials and services attract higher GST than finished products.
https://www.thehindubusinessline.com/economy/agri-business/micro-fertiliser-industry-seeks-uniform-5-gst-faster-credit-refunds-ahead-of-budget/article70497036.ece

Union Budget 2026: IBA suggests Rs 10k cr fund to provide capital subsidy to biogas industry

The Indian Biogas Association is urging the government for a Rs 10,000 crore fund in the upcoming budget. They propose increased capital subsidies for compressed biogas production. The association also advocates for a mandatory blending of fermented organic manure in fertilizers. These measures aim to boost the biogas sector, create rural income, and support green growth initiatives.
https://economictimes.indiatimes.com/industry/energy/oil-gas/union-budget-2026-iba-suggests-rs-10k-cr-fund-to-provide-capital-subsidy-to-biogas-industry/articleshow/126464056.cms

Budget 2026: Pharma, med-tech companies seek PLI extension to cover APIs

The industry expects the government to address these issues in the Union budget announcement this year. Sudarshan Jain, secretary general of Indian Pharmaceutical Alliance (IPA) said the recent global challenges like US tariffs, supply chain disruptions and geopolitical uncertainty have underscored the need for strategic support, and hence, restoring 200% weighted deduction for research and development expenditures would be a significant step.
https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/budget-2026-pharma-med-tech-companies-seek-pli-extension-to-cover-apis/articleshow/126442782.cms

Govt mulls ways to tackle food subsidy spike

The government is considering several proposals to provide for the additional food subsidy requirement over the budget estimate (BE) of Rs 2.03 lakh crore for FY26. According to sources, while the additional bill is around Rs 25,000 crore, food subsidy outlay for the year may be raised by only Rs 5,000 crore. A boost to open market sales may help contain the immediate demand for additional subsidy. Dipping into the price stabilisation fund for |Bharat Rice" retail market scheme, and to give support to various state government schemes may also be considered, the sources added.
https://www.financialexpress.com/policy/economy/govt-mulls-ways-to-tackle-food-subsidy-spike/4103953/

Finance

RBI's new upper layer list could include NBFCs promoted by banks, strong promoters

The Reserve Bank of India is likely to issue its updated list of upper layer non-banking financial companies (NBFCs) by mid-2026, sources say, and could add large NBFCs promoted by banks and strong promoter in the list. NBFCs, which can potentially be added to the list, include Credila Financial Services (formerly promoted by HDFC Bank), Axis finance promoted by Axis Bank, Kotak Mahindra Prime backed by Kotak Mahindra Bank, Can Fin Homes backed by Canara Bank, ICICI Home Finance promoted by ICICI Bank, Sundaram finance, Hero Fincorp, Poonawalla Fincorp, and Hinduja Leyland Finance. Except ICICI Home and Can Fin Homes, all other NBFCs have assets under management (AUM) of upwards of ₹40,000 crore as of September-end.
https://www.thehindubusinessline.com/money-and-banking/rbis-new-upper-layer-list-could-include-nbfcs-promoted-by-banks-strong-promoters/article70497817.ece

Private credit gains ground in housing as sales slow

Private credit is gaining prominence in the residential real estate market as a slowdown in housing sales and tighter lending norms are pushing developers to rely more on structured debt from non-bank lenders. Developers are

increasingly turning to private credit as banks and non-banking financial companies remain constrained in funding land purchases, pre-construction costs and premium payments, industry executives said. Private credit refers to lending by specialised funds that provide structured debt directly to borrowers, typically at higher costs but with greater flexibility than traditional loans.
https://www.financialexpress.com/business/banking-finance/private-credit-gains-ground-in-housing-as-sales-slow/4103939/

SEBI's ease of doing business push may cut daily compliance, but raise stakes for smaller brokers

The Securities and Exchange Board of India's (SEBI) proposed ease-of-doing-business measures for stock and commodity exchanges is expected to significantly reduce day-to-day compliance for brokers, give exchanges greater operational autonomy, and up the competition. However, tightening of margin trading norms could accelerate consolidation among smaller intermediaries, experts said.
https://www.thehindubusinessline.com/markets/sebis-ease-of-doing-business-push-may-cut-daily-compliance-but-raise-stakes-for-smaller-brokers/article70497402.ece

NSE to launch trading of electronic gold receipts, says CEO

The National Stock Exchange(NSE) is working on introducing gold dematerialisation through Electronic Gold Receipts (EGR), according to Ashish Chauhan, Managing Director and CEO, NSE. EGRs are receipts issued by SEBI-regulated vault managers based on the deposit of physical gold. The receipts are credited to the investor's demat account who can then use it if trading gold on the exchanges.
https://www.thehindubusinessline.com/markets/nse-to-launch-trading-of-electronic-gold-receipts-says-ceo/article70497797.ece

State capex loans cross 56% of FY26 target by Jan 5; Centre aims for full utilization

The Centre has released over ₹83,000 crore to states for capital investment. This is part of the special assistance scheme for capital investment. The government is confident of fully utilizing the allocation by the fiscal year end. The scheme provides interest-free loans to states for capital expenditure.
https://economictimes.indiatimes.com/news/economy/finance/state-capex-loans-cross-56-of-fy26-target-by-jan-5-centre-aims-for-full-utilisation/articleshow/126469636.cms

Unlisted Indian companies' debt burden at 35-year low: CMIE data

Unlisted Indian companies have lower borrowings relative to their size and operations than at any point since liberalisation. The debt-to-equity ratio is 1.01 for 2024-25 (FY25), according to data from the Centre for Monitoring Indian Economy (CMIE). This is the lowest in records going back to 1990-91. The ratio touched a low of 1.13 in FY23, a record low at the time; and has fallen in the two subsequent years to fresh lows. Debt of unlisted companies is nearly at parity with equity, according to the latest available data for such firms.
https://www.business-standard.com/economy/news/unlisted-indian-companies-debt-burden-at-35-year-low-cmie-data-126011100811_1.html

Industry

FMCG players witness strong Q3 recovery on demand surge, margin expansion

The FMCG sector anticipates strong volume growth and better operating margins for the December quarter. This positive outlook is fueled by GST reforms, robust festive sales, and easing raw material costs. Companies like Dabur, Marico, and Godrej Consumer Products report signs of recovery. Rural demand continues to outpace urban markets. Organized retail and e-commerce are also showing significant growth.
https://economictimes.indiatimes.com/industry/cons-products/fmcg/fmcg-players-witness-strong-q3-recovery-on-demand-surge-margin-expansion/articleshow/126462290.cms

Radio industry advertising revenue picks up pace in FY25

The downturn in FY21 was sharp, with FM radio ad revenues plunging to ₹941 crore. Since then, the recovery has been steady. Revenues rose to ₹1,227 crore in FY22, climbed to ₹1,547 crore in FY23 and reached ₹1,776 crore in FY24, according to data submitted by private FM radio operators to the Telecom Regulatory Authority of India (Trai).

https://economictimes.indiatimes.com/industry/services/advertising/radio-industry-advertising-revenue-picks-up-pace-in-fy25/articleshow/126470190.cms

Two-wheeler industry expects 6-9% growth in 2026 on GST cut, urban demand

The two-wheeler segment of the country's automobile industry is expected to grow 6-9 per cent this calendar year, supported by improved affordability following the cut in goods and services tax (GST) from 28 per cent to 18 per cent, and urban recovery in purchases for replacing vehicles. However, the proposed mandate to make anti-lock braking systems (ABS) compulsory for sub-125cc two-wheelers is likely to push up prices and weigh on near-term volumes.

https://www.business-standard.com/industry/auto/two-wheeler-industry-expects-6-9-growth-in-2026-on-gst-cut-urban-demand-126011100376_1.html

India EV market hits 2.3 million sales in 2025, policy support, festive demand drive adoption

India's electric vehicle (EV) market crossed a major milestone in 2025, with total EV sales reaching 2.3 million units, accounting for 8 per cent of all new vehicle registrations, according to the Annual Report: India EV Market 2025 prepared by the India Energy Storage Alliance (IESA) based on Vahan Portal data. The report released this week highlighted that EV adoption accelerated steadily through the year, supported by policy incentives and a sharp festive-led surge in the final quarter. India's broader automobile market recorded 28.2 million vehicle registrations in 2025, with two-wheelers remaining dominant, accounting for over 20 million units (72 per cent of total sales).

https://www.thehindubusinessline.com/economy/india-ev-market-hits-23-million-sales-in-2025-policy-support-festive-demand-drive-adoption/article70497164.ece

MeitY reviews mobile safety standards amid industry concerns

The IT and electronics ministry has started routine stakeholder consultations on mobile safety and security requirements with stakeholders and will address legitimate concerns raised by the industry before firming up any framework, an official statement said on Sunday. The Ministry of Electronics and IT (Meity) said that mobile security is a critical aspect as smartphones are increasingly used for financial transactions, delivery of public services, and storage of sensitive personal information, which makes them attractive targets for cybercriminals.

https://www.thehindubusinessline.com/info-tech/meity-reviews-mobile-safety-standards-amid-industry-concerns/article70499888.ece

India proposes forcing smartphone makers to give source code in security overhaul

India proposes requiring smartphone makers to share source code with the government and make several software changes as part of a raft of security measures, prompting behind-the-scenes opposition from giants like Apple and Samsung. The tech companies have countered that the package of 83 security standards, which would also include a requirement to alert the government to major software updates, lacks any global precedent and risks revealing proprietary details, according to four people familiar with the discussions and a Reuters review of confidential government and industry documents.

https://www.thehindubusinessline.com/info-tech/india-proposes-forcing-smartphone-makers-to-give-source-code-in-security-overhaul/article70497340.ece

Agriculture

Seeds Bill finalised, likely to be introduced in Budget session

The government is believed to have finalised the Seeds Bill, 2026 and is keen to get it introduced in the Lok Sabha during the upcoming Budget session, scheduled to commence from January 28 and to continue until April 2, including a 25-day recess. No major changes are likely to be made in the draft Bill, which was shared in November 2025 for public feedback, sources said.

https://www.thehindubusinessline.com/economy/agri-business/seeds-bill-finalised-likely-to-be-introduced-in-budget-session/article70497573.ece

Infrastructure

India's realty moves to the core of conglomerates' business strategy

India's leading conglomerates are stepping up investments in real estate, recasting what was once a peripheral activity into a core growth driver. Supported by strong balance sheets, established brands and access to long-term capital, major business houses including Aditya Birla, Tata, Godrej, L&T, Raymond, Wadia, Shapoorji Pallonji, Mahindra and Adani are positioning realty as a strategic pillar within their diversified portfolios.
https://www.business-standard.com/industry/news/india-s-realty-moves-to-the-core-of-conglomerates-business-strategy-126011100543_1.html

States

UP emerges as highest funded state under SASCI

As states hope for more funds under the 'Scheme for Special Assistance to States for Capital Investment (SASCI)' in the forthcoming Budget, Uttar Pradesh emerged as the state that got the highest amount of funds as yet, followed by Madhya Pradesh, Bihar, Maharashtra and Assam. The scheme is a combination of tied (reform measures undertaken by states/UTs) and untied (proposals forwarded by states/UTs) funding.
https://www.thehindubusinessline.com/economy/up-tops-the-list-in-getting-fund-under-sasci-states-hope-for-more-funds-in-fy27-budget/article70497490.ece

Punjab launches auctions for mining sites across state

Punjab has initiated new auctions for mining sites. Reforms to the auction system are now in place. The government aims for transparency and better revenue. Online bidding is being used. This is the first auction in three years. Future auctions will include more sites. These changes are expected to boost legal supply and government income.
https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/punjab-launches-auctions-for-mining-sites-across-state/articleshow/126467943.cms

External

Critical Minerals, Cycles and Strategy: Why India should bet on Argentina

India and Argentina are deepening cooperation on critical minerals. This partnership is crucial for India's future growth in electric vehicles and renewable energy. Argentina offers vital resources like lithium and copper. India's investment aims for long-term supply security and cost stability. This collaboration is a strategic move to secure essential materials for India's industrial and defense needs.
https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/critical-minerals-cycles-and-strategy-why-india-should-bet-on-argentina/articleshow/126462323.cms

German Chancellor's India visit to scale up trade, mobility, tech partnerships

German Chancellor Friedrich Merz's two-day India visit, starting Monday, is set to add political momentum to the India-EU Free Trade Agreement (FTA) negotiations ahead of the bilateral summit while focussing on strengthening trade ties, securing defence deals and boosting cooperation in skill development, mobility, research, education and technology, sources said.
https://www.thehindubusinessline.com/economy/german-chancellors-india-visit-to-scale-up-trade-mobility-tech-partnerships/article70497861.ece

Goods shipments to China grow at a fast clip

India's shrimp exports facing tariffs up to 58% in the U.S. have found a new, fast-growing market in China. Even in product categories like electronics, shipments to the northern neighbor have soared, according to commerce ministry data. China alone accounted for 40% of India's total export growth in April-November and this has come from the contribution of a wide range of products. During April–November, India's overall exports to China rose 32.8% on year to $ 12.22 billion, while during the same period India's total exports expanded just 2.6%.
https://www.financialexpress.com/policy/economy/goods-shipments-to-china-grow-at-a-fast-clip/4103888/

India's exports of petroleum products touched record high in 2025

India’s exports of petroleum products hit an all-time high in 2025 despite the influence of sanctions by Western powers and an ongoing informal blockade of the Suez Canal, led by strong refining margins in overseas markets — a byproduct of the ongoing Russia-Ukraine war. Fuel exports, which account for over a tenth of India’s overall product exports by value, came despite mounting geopolitical turmoil and the imposition of sanctions by the European Union on a large Indian private-sector refiner and on supplies of fuels made from processing Russian crude oil.
https://www.business-standard.com/economy/news/india-s-exports-of-petroleum-products-touched-record-high-in-2025-126011100623_1.html