

February 04, 2026 – Wednesday

Economy

Goldman Sachs upgrades India's 2026 GDP growth to 6.9% after US cuts tariffs

Goldman Sachs has flagged a positive macroeconomic outlook for India following the conclusion of the US-India trade deal that lowers American reciprocal tariffs on Indian goods to 18%.In its report titled "India: US-India conclude trade deal: President Trump lowers 'reciprocal' tariffs on India to 18%", Goldman Sachs noted that President Trump announced on social media a reduction in the reciprocal tariffs on Indian goods imports to 18% down from the earlier 25%, 'effective immediately'.
https://economictimes.indiatimes.com/news/economy/indicators/goldman-sachs-upgrades-indias-2026-gdp-growth-to-6-9-after-us-cuts-tariffs/articleshow/127882181.cms

Factory activity firms up in January amid weak outlook

India's manufacturing activity saw a slight rebound in January, driven by increased new orders and output, though business confidence dipped to a three-and-a-half-year low. While consumer goods led the growth, capital goods lagged, and future output expectations weakened despite buoyant domestic demand and moderate international orders.
https://economictimes.indiatimes.com/news/economy/indicators/factory-activity-firms-up-in-january-amid-weak-outlook/articleshow/127869659.cms

Finance

RBI likely to keep policy rates unchanged as trade deal reduces urgency

India's central bank is expected to keep policy rates unchanged on Friday, while focusing on improving the pass-through of the previous year's rate cuts, with a US-India trade deal alleviating the need for more immediate support to the economy. A large majority of economists polled by Reuters before the deal was announced on Monday - 59 of 70 - had expected a status quo in rates, but a minority had called for another cut as inflation remained low and US tariffs threatened to disrupt India's strong run of economic growth.
https://www.business-standard.com/finance/news/rbi-likely-to-keep-policy-rates-unchanged-as-trade-deal-reduces-urgency-126020400142_1.html

RBI asks banks to stay open on March 31 to close FY26 govt accounts

The Reserve Bank of India (RBI) on Tuesday said the government has asked banks handling government receipts and payments to remain open on March 31, 2026, to ensure that all government transactions are accounted for within the current financial year. Hence, the RBI has asked agency banks to keep all branches dealing with government business open for customer transactions on Tuesday, March 31. The move is aimed at facilitating the timely booking of receipts and payments pertaining to the financial year 2025–26, which concludes on the same day.
https://www.business-standard.com/finance/news/rbi-asks-banks-to-stay-open-on-march-31-to-close-fy26-govt-accounts-126020301414_1.html

Tax framework ensures level playing field for industry, says Arvind Shrivastava

The tax framework has been designed to ensure neutrality between domestic and global players, revenue secretary Arvind Shrivastava said Tuesday, highlighting budget reforms related to data centres and special economic zones. "Tax treatment has been structured to enable fair competition and ensure a level playing field for Indian industry," he said at an interactive session organised by the Federation of Indian Chambers of Commerce and Industry (Ficci). The budget marks a decisive shift towards taxpayer autonomy and trust-based compliance, he said, outlining structural reforms aimed at reducing friction between taxpayers and tax authorities.
https://economictimes.indiatimes.com/news/economy/policy/tax-framework-ensures-level-playing-field-for-industry-says-arvind-shrivastava/articleshow/127894079.cms

Industry

Recruiters grapple with talent gap as AI reshapes hiring

India's hiring engine is revving up again, but recruiters say finding the right candidates is becoming increasingly difficult. New research by LinkedIn reveals that nearly three out of four recruiters (74%) in India are struggling to find qualified talent, even as overall hiring activity runs 40% higher than pre-pandemic levels. The paradox stems from a "volume–quality mismatch." Recruiters report being swamped with applications that look impressive but often lack the skills employers truly need.
https://www.financialexpress.com/business/industry-recruiters-grapple-with-talent-gap-as-ai-reshapes-hiring-4129951/

Govt open to demand for Customs amnesty scheme: Official

The government remains open to the industry's demand for a well-structured Customs Amnesty scheme, which was notably absent from the Union Budget for FY27 presented on Sunday, despite it figuring in the pre-budget wish lists. A top finance ministry official, indicated that while the administration recognizes the need for such a mechanism to address legacy customs disputes, the challenge lies in designing an effective policy framework. "We worked very hard on the amnesty scheme for Customs but somehow it was not getting worked out…," the official said, on condition of anonymity. "If there are ideas, we are still open to take it into consideration. We would like to do it if we get a good plan and we have time."
https://www.financialexpress.com/business/news/govt-open-to-demand-for-customs-amnesty-scheme-official/4130251/

Leather industry looks at boom year with US, EU trade deals in bag

The India-United States (India-US) trade agreement has lifted sentiment among leather exporters, who are now looking ahead to a strong year after months of uncertainty. Along with the free-trade agreement (FTA) with the European Union (EU), the pacts are expected to position India as a key manufacturing hub for global brands as companies diversify supply chains under the China-plus-one strategy, say exporters.
https://www.business-standard.com/industry/news/leather-industry-looks-at-boom-year-with-us-eu-trade-deals-in-bag-126020301666_1.html

Agriculture

India-US trade deal: Agri, dairy interests 'protected', says Piyush Goyal

India has protected its sensitive agriculture and dairy sectors in the just-concluded trade deal with the US, said Union Commerce and Industry Minister Piyush Goyal on Tuesday. He said both sides are working towards soon issuing a joint statement that would set out the details of the agreement. "This is a deal that will make every Indian proud, that will protect the interests of every Indian, and provide huge opportunities for all the people of India," Goyal told reporters in New Delhi. He further noted that the agreement will "protect the sensitive sectors, the interests of our agriculture and our dairy sectors in full respect".
https://www.business-standard.com/economy/news/sensitive-agri-dairy-sectors-protected-in-us-trade-deal-goyal-126020301632_1.html

Shrimp industry gets a fresh lease of life after cut in US tariffs

After being hit by a drop of up to 60 per cent in exports to the US in the last three months, and price uncertainties in the last six months, the shrimp industry in India got a fresh lease of life on Tuesday with the cut in US tariffs. However, industry experts raise concerns that the change came at least a month late, as major importers in that country had placed advance orders for 2026 by the end of December or early January. Despite this, India's shrimp exports zoomed to a record 8 lakh tonnes in 2025, driven by diversification to new markets like China, Russia, and Vietnam, government data show. More importantly, overall marine exports to China grew more than twofold from $76 million in July to $205 million in November, according to Ministry of Commerce data.
https://www.business-standard.com/industry/news/us-duty-cut-offers-relief-to-indian-shrimp-exporters-but-timing-a-concern-126020300831_1.html

Infrastructure

Dark store rentals tighten in tier 1 as quick commerce turns selective; tier 2 demand accelerates

India's quick-commerce players are reshaping the country's urban logistics landscape, with Tier 1 cities seeing tighter supply and rising rentals, even as Tier 2 cities emerge as the next phase of expansion, driven by lower costs and untapped demand. Demand for dark-store spaces of 3,000–5,000 sq ft in Tier 1 cities has grown 20–25 per cent year-on-year, driven less by geographic expansion and more by SKU proliferation as platforms move beyond groceries into electronics and premium categories, according to ANAROCK Group.
https://www.thehindubusinessline.com/companies/dark-store-rentals-tighten-in-tier-1-as-quick-commerce-turns-selective-tier-2-demand-accelerates/article70587987.ece

India's air passenger traffic growth declines by over 4% in December

India's domestic air passenger traffic declined by over four per cent in December 2025 on a year-on-year basis amid operational challenges faced by airline major IndiGo. According to data released by the Directorate General of Civil Aviation (DGCA), India's scheduled domestic flight operators ferried around 1.43 crore passengers in December 2025, down 4.14 per cent on a year-on-year basis. Notably, domestic airlines ferried 1.49 crore air passengers during the corresponding period of last year.
https://www.thehindubusinessline.com/economy/logistics/indias-air-passenger-traffic-growth-declines-by-over-4-in-december/article70588479.ece

Maritime stakeholders join hands to form new national container carrier

Several state-owned maritime stakeholders on Tuesday signed a memorandum of understanding (MoU) to establish Bharat Container Shipping Line (BCSL). The MoU was signed among the Shipping Corporation of India, Container Corporation of India, Jawaharlal Nehru Port Authority, V O Chidambaranar Port Authority, Chennai Port Authority, and Sagarmala Finance Corporation. The proposed container carrier will have a 51-vessel fleet, with an estimated investment of around Rs 59,000 crore, and will include domestic container manufacturing as a key anchor of India's export-import logistics strategy.
https://www.business-standard.com/industry/news/maritime-stakeholders-join-hands-to-form-new-national-container-carrier-126020400013_1.html

Energy

Tariff cut sparks optimism across solar panel makers and exporters

Top solar panel makers said that the trade deal with the United States will boost Indian solar exports to the US and help them integrate into global supply chains. The deal will bring down US tariffs on Indian goods from 25% to 18%, which would make exports competitive, industry players said. The US also removed penalty tariffs of 25% for Russian oil imports. India is a major supplier of solar panels to the US, with 97% of its module exports, totaling 10.4 GW, destined for the US in the first nine months of 2025. Interestingly, the trade deal came weeks after the US pulled out of the International Solar Alliance, backed by India.
https://www.financialexpress.com/business/news/tariff-cut-sparks-optimism-acrossnbspsolar-panel-makers-and-exporters/4130292/

Falling Russian crude oil imports drag down pvt ports' growth to 2% in FY26

A sharp fall in imports of crude oil by some refiners has led to a slowdown in the rate of growth in cargo volumes in India's fast-growing private ports, the data from the Ministry of Ports, Shipping and Waterways shows. Crude oil, part of the category of petroleum and oil lubricants (POL), accounts for nearly a fourth of cargo volumes at non-major ports, which are mostly owned by private players or state governments. According to the ministry's data till December, cargo at these ports grew by merely 2.4 per cent to 563 million tonnes (mt), which, if sustained through this financial year, would mean the slowest growth rate for private ports since the pandemic.
https://www.business-standard.com/economy/news/falling-russian-crude-oil-imports-drag-down-pvt-ports-growth-to-2-in-fy26-126020301450_1.html

Telecom

India's telecom exports to gain competitive advantage from US trade deal

India's telecom equipment exports are set to get an edge over competing countries including China, Mexico, Vietnam and Malaysia, following the trade deal between India and the US which lowered the tariff from 50 per cent to 18 per cent, effective immediately. "As a result of the reciprocal tariff rate being reduced to 18%, exports of telecom products such as ISDN terminals, ISDN terminal adapters, X.25 PADs, and set-top boxes, as well as aerial reflectors, will be competitive relative to key competing manufacturing nations," Pankaj Mohindroo, chairman of India Cellular and Electronics Association told Business Standard.
https://www.business-standard.com/economy/news/india-s-telecom-exports-to-get-competitive-edge-from-india-us-trade-deal-126020301710_1.html

States

AP plans large-scale saffron cultivation in Lambasingi

Andhra Pradesh Chief Minister N Chandrababu Naidu has directed the officials to promote saffron cultivation in the State. He asked the officials to grant permission to companies willing to undertake large-scale saffron cultivation in Lambasingi in the Eastern Ghats. This initiative must follow a public-private partnership model that includes participation by local tribal communities, he said. Addressing a review meeting on agriculture and allied sectors in Amaravati on Tuesday, he asked officials to prepare an action plan to transform the State into the country's largest natural farming hub.
https://www.thehindubusinessline.com/economy/agri-business/ap-plans-large-scale-saffron-cultivation-in-lambasingi/article70588653.ece

Healthcare

Tariff reset lifts India's medical device pulse amid China+1 shift

The sharp cut in US tariffs on Indian goods is proving to be a turning point for India's healthcare manufacturing sector, with medical devices among the biggest beneficiaries. Industry executives say the move alters the competitive landscape just as global supply chains shift away from China, while also making it easier and cheaper for India to import advanced medical technologies from the US. For Indian medical device exporters, the tariff reset addresses a long-standing vulnerability: wafer-thin margins.
https://www.business-standard.com/economy/news/us-tariff-cut-gives-indian-medical-devices-an-edge-as-china-1-gathers-pace-126020301572_1.html

External

India-EU FTA likely to come into force this year: EU Ambassador to India

The India-EU Free Trade Agreement (FTA) is now undergoing "legal scrubbing" and both sides are committed to concluding the process swiftly for its signing and coming into force, possibly this year, EU Ambassador to India Herve Delphin has said. Speaking to PTI, he described the FTA as a "very substantial" deal rather than an "empty shell." "We are in the process of what we call technically, of the legal scrubbing, and to close the process of before the official signing and the entry into force. I think what I've noticed with during the summit is that both sides are really

committed to have this process concluded as soon as possible, so that the FTA enters into force, possibly this year, which will be another achievement," the ambassador emphasized.
https://www.business-standard.com/economy/news/india-eu-fta-likely-to-come-into-force-this-year-eu-ambassador-to-india-126020301813_1.html

India-US trade deal: Gems and jewellery exports set to shine once again

The easing of tariffs imposed by the United States (US) on Monday on Indian exports has revived demand-side confidence in the gems and jewellery sector, raising hopes of reversing losses incurred in the last 10 months and regaining momentum. Reciprocal tariffs imposed on the sector last year, including diamonds, disrupted trade flows between the two countries. The US is the largest market for the precious stone, with a share of more than 30 per cent.
https://www.business-standard.com/industry/news/us-tariff-cut-lifts-sentiment-for-indian-gems-and-jewellery-sector-126020301455_1.html

US-India tariff reset lifts engineering exports; auto components lead gains

India's engineering exports to the United States (US) are set to regain momentum following the proposed reduction in US reciprocal tariffs on Indian goods to 18 per cent, significantly improving cost competitiveness after years of elevated duties. Auto component manufacturers are expected to be the biggest beneficiaries, with the tariff reset sharpening India's export edge in the US market far more for ancillary suppliers than for automobile OEMs (original equipment manufacturers).
https://www.business-standard.com/economy/news/us-india-tariff-reset-lifts-engineering-exports-auto-components-lead-gains-126020301434_1.html