

February 25, 2026 – Wednesday

Key Developments

Govt overhauls GDP data to improve accuracy

India will overhaul how it calculates real GDP growth under a revised national accounts series due to launch this week, the country's top statistical official said, adopting more granular price deflation to address concerns raised by economists. India measures real GDP - which adjusts for inflation - by deflating nominal GDP growth using price indices. Economists have raised concerns that the method is outdated as it relies more on the wholesale price index and not the more closely tracked consumer price index.
https://www.thehindubusinessline.com/economy/india-overhauls-gdp-data-to-improve-accuracy-official-says/article70670549.ece

Economy

India's economy likely to have grown over 8% in Q3: SBI research

With high frequency data showing resilient economic activities, India's economy is likely to have grown at more than 8 per cent during the third quarter period that ended December 31, a research report by SBI stated on Tuesday. The report also highlighted that public sector banks have performed much better than major private sector banks during the nine-month period ending December 31.
https://www.thehindubusinessline.com/economy/indias-economy-likely-to-have-grown-over-8-in-q3-sbi-research/article70669768.ece

Acceleration in India's per capita income growth has been faster than in GDP growth: Poonam Gupta

The acceleration in India's per capita income growth has been faster than in GDP growth, with decline in population growth being an important factor contributing to this trend, according to RBI Deputy Governor Poonam Gupta.
https://www.thehindubusinessline.com/economy/acceleration-in-indias-per-capita-income-growth-has-been-faster-than-in-gdp-growth-poonam-gupta/article70671110.ece

Positive flows support rupee despite external headwinds

The rupee traded largely flat last week. Several factors were at play, which effectively kept the local currency in a sideways trend. On Tuesday, the Indian unit closed at 90.95. According to NSDL data, net FPI inflows over the past week stood at $1.2 billion, offering a cushion to the domestic currency and helping it absorb external pressures.
https://www.thehindubusinessline.com/portfolio/technical-analysis/positive-flows-support-rupee-despite-external-headwinds/article70671166.ece

16th Finance Commission ends revenue deficit grants, flags fiscal discipline reset

The 16th Finance Commission (FC) has eliminated revenue deficit grants (RDGs) for the first time. This is a deliberate attempt to correct distorted incentives that have allowed persistent revenue deficits to become a fiscal feature

across states. RDGs were meant to be temporary, but became effectively permanent. States with recurring revenue deficits came to expect central gap-filling, weakening incentives for necessary but politically difficult reforms.
https://economictimes.indiatimes.com/opinion/et-commentary/16th-finance-commission-ends-revenue-deficit-grants-flags-fiscal-discipline-reset/articleshow/128759191.cms

Finance

States increasingly reliant on market loans to finance deficits

In a clear sign that States are increasingly relying on market loans to finance deficits, State Government Securities (SGS) outstanding has surged roughly five-fold, far outpacing the 2.7x growth in Central government debt (via Government Security/ G-Sec) since FY15.
https://www.thehindubusinessline.com/economy/states-increasingly-reliant-on-market-loans-to-finance-deficits-says-vedartha-report/article70671760.ece

India set to launch its first comprehensive carbon-trading programme

India is in the final stage of kickstarting its first ever comprehensive carbon-trading programme to report on emission generated by participating industries, according to a top official of the Bureau of Energy Efficiency (BEE). This will be for April 2025-March 2026 with interviews for verifiers in progress. But steel, the most polluting industry, is yet to find a place in the first phase of operations; neither is the fertiliser sector. Their inclusion was proposed to cover 800 units, responsible for nearly all of India's industrial emission.
https://www.business-standard.com/industry/news/india-kicks-off-carbon-trading-programme-but-key-polluters-left-out-126022401016_1.html

Banks' liquidity buffers shrink as deposits lag credit growth

Liquidity coverage ratios (LCR) across banks declined in the third quarter as strong credit growth outpaced deposit accretion. While short term borrowing rates remained subdued due to a largely surplus system liquidity, the record-high credit-deposit ratio at 82% underscores the persistent strain on banks' liquidity buffers.
https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-liquidity-buffers-shrink-as-deposits-lag-credit-growth/articleshow/128761013.cms

Industry

Automakers may get to trade fuel-efficiency credits to meet stricter CAFE norms

India plans to allow automakers trade fuel-efficiency credits among themselves, creating a broader market mechanism to help companies meet the stricter Corporate Average Fuel Efficiency (CAFE) norms and avoid government penalties, said officials familiar with the plan. The move will let automakers exceeding fuel-efficiency targets to sell surplus credits to those who are lagging, boosting the latter's scores. "Pooling and trading of carbon credits is a globally established model," said a senior industry executive, who didn't wish to be named. "In such a mechanism, manufacturers who do not meet emission guidelines can purchase credits from companies who have surplus.
https://economictimes.indiatimes.com/industry/auto/auto-news/automakers-may-get-to-trade-fuel-efficiency-credits-to-meet-stricter-cafe-norms/articleshow/128761302.cms

India's e-commerce expected to more than double to $200 billion by 2030 : Mckinsey & Company

India's e-commerce sector is expected to nearly double in the range of $180 billion-$200 billion by 2030 from $70–80 billion in 2024, fuelled by rising incomes and demand from Tier-2 and Tier-3 locations as per a report by Mckinsey & Company. It noted that the growth will be not only be led by traditional large e-commerce platforms that offer scale and discovery, but it will also come from quick commerce platforms and direct-to-consumer (D2C) channels that emphasise on speed and convenience.
https://www.thehindubusinessline.com/companies/indias-e-commerce-expected-to-more-than-double-to-200-billion-by-2030-mckinsey-company/article70670801.ece

Agriculture

Govt approves MSP procurement of gram, mustard, lentils for Rabi 2026 season

Agriculture Minister Shivraj Singh Chouhan on Tuesday said the government has approved the procurement of gram, mustard and lentils under the Price Support Scheme for the Rabi 2026 season, and urged states to fully utilise central funds under key farm schemes before March 31. Chairing a virtual meeting with agriculture ministers and senior officials from eleven states, Chouhan conducted a detailed review of progress under the Rashtriya Krishi Vikas Yojana (RKVY) and Krishi Unnati Yojanas, an official statement said.
https://economictimes.indiatimes.com/news/economy/agriculture/govt-approves-msp-procurement-of-gram-mustard-lentils-for-rabi-2026-season/articleshow/128759151.cms

Cabinet Committee approves 5% hike in jute MSP for 2026-27

The Cabinet Committee on Economic Affairs (CCEA) on Tuesday approved the Minimum Support Price (MSP) for raw jute at ₹5,925 per quintal for the 2026-27 marketing season, which is 4.9 per cent higher than ₹5,650 per quintal fixed for 2025-26 season.
https://www.thehindubusinessline.com/economy/agri-business/cabinet-approves-5-hike-in-jute-msp-for-2026-27/article70671761.ece

Infrastructure

Cost of Numaligarh Refinery expansion set to swell to Rs 34,000 crore as revamp nears finish

The cost of the three-fold capacity expansion of Numaligarh Refinery Ltd, the largest refiner in the Northeast, is likely to increase by nearly Rs 5,900 crore to around Rs 34,000 crore, company officials said. The company has sent a proposal to the government to enhance the budget to Rs 33,901 crore from the existing Rs 28,026 crore for the Numaligarh Refinery Expansion Project (NREP), a brownfield initiative, and it is under "active consideration" of the Public Investment Board (PIB), they said.
https://economictimes.indiatimes.com/industry/energy/oil-gas/cost-of-numaligarh-refinery-expansion-set-to-swell-to-rs-34000-crore-as-revamp-nears-finish/articleshow/128747887.cms

Union Cabinet approves ₹9,072 crore railway projects across four states

The Cabinet Committee on Economic Affairs, chaired by Prime Minister Narendra Modi on Tuesday approved three Railway ministry projects with a total cost of approximately 9,072 crore. The three projects include the doubling of the Gondia-Jabalpur section and the laying of the third and fourth lines between Punarakh-Kiul and Gamharia-Chandil sections. The government said that these projects covering eight districts across Maharashtra, Madhya Pradesh, Bihar and Jharkhand will increase the existing network of the Indian Railways by about 307 km.
https://www.business-standard.com/india-news/union-cabinet-approves-9-072-crore-railway-projects-across-four-states-126022400703_1.html

Energy

Cabinet panel allows increased equity investment limit in Power Grid arms

The Cabinet Committee on Economic Affairs (CCEA) on Tuesday approved increasing the equity investment limit in subsidiaries of Power Grid Corporation of India to ₹7,500 crore per subsidiary from the current ₹ 5,000 crore, while retaining the existing cap of 15% of the company's net worth, for adding large capacity projects and supporting renewable energy evacuation.
https://economictimes.indiatimes.com/industry/energy/power/cabinet-panel-allows-increased-equity-investment-limit-in-power-grid-arms/articleshow/128760335.cms

Renewable energy drives India’s power transition

Renewable power is growing rapidly worldwide. India accounted for about 5% of global renewable capacity in 2024 and ranked as the third-largest contributor after China and the US. India’s installed capacity is projected to rise from

475 GW (Giga Watt) in FY25 to 705 GW by FY30. India's solar installation costs fell 60.6% and wind costs 20.4% (FY16–FY24), making renewables significantly cheaper than fossil fuels
https://www.thehindubusinessline.com/opinion/columns/statistalk/renewable-energy-drives-indias-power-transition/article70672716.ece

Telecom

TRAI cuts 5G spectrum reserve prices by up to 37% ahead of auctions

The Telecom Regulatory Authority of India (Trai) has slashed reserve prices of 5G spectrum by 7-37% across bands for the upcoming auctions while also recommending lower entry barriers for new players, in a bid to spur demand and boost sale proceeds. The Telecom Regulatory Authority of India (Trai) has slashed reserve prices of 5G spectrum by 7-37% across bands for the upcoming auctions while also recommending lower entry barriers for new players, in a bid to spur demand and boost sale proceeds.
http://economictimes.indiatimes.com/industry/telecom/telecom-news/trai-cuts-5g-spectrum-reserve-prices-by-up-to-37-ahead-of-auctions/articleshow/128761362.cms

States

Cabinet approves extension of Gujarat Metro from GIFT City to Shahpur

The Union Cabinet on Tuesday approved a 3.33-km extension of the existing North-South corridor of Gujarat Metro from GIFT City to Shahpur. In a statement, the government said that the project, which is scheduled to be completed in four years, includes three elevated stations. The decision was taken by the Union Cabinet, in its first meeting chaired by Prime Minister Narendra Modi at Seva Teerth, the new PMO complex.
https://www.business-standard.com/india-news/cabinet-approves-extension-of-gujarat-metro-from-gift-city-to-shahpur-126022400721_1.html

UP govt inks ₹4,458 crore MoU with AISATS for Jewar airport projects

The Uttar Pradesh government on Sunday signed a memorandum of understanding with AISATS to invest Rs 4,458 crore in two major aviation service projects at Noida International Airport, officials said. The agreement was signed during Chief Minister Yogi Adityanath's ongoing visit to Singapore, marking a key investment outcome on the second day of the tour aimed at attracting global capital to Uttar Pradesh.
https://www.business-standard.com/india-news/up-govt-inks-4-458-crore-mou-with-aisats-for-jewar-airport-projects-126022400524_1.html

Jharkhand presents ₹1.58 trillion budget, unveils scheme for women farmers

The Jharkhand government on Tuesday tabled in the assembly a ₹1.58 trillion budget for the 2026-27 fiscal, and announced a scheme for women engaged in agricultural activities. The JMM-led government had in 2025-26 presented a ₹1.45 trillion budget. "I lay on the table of the House a budget of ₹1,58,560 crore for the 2026-27 financial year," Finance Minister Radhakrishna Kishore said in the assembly. The budget will meet the aspirations of every section of society, including the poor, farmers, tribals and women, Kishore asserted.
https://www.business-standard.com/india-news/jharkhand-presents-1-58-trillion-budget-unveils-scheme-for-women-farmers-126022400436_1.html

Healthcare

AI, trust and faster innovation bets to shape India's pharma future by 2047

Artificial intelligence (AI) is no longer a side conversation for Indian pharma. It is fast becoming central to how drugs will be discovered, made, and supplied. Along with that shift comes a sharper focus on innovation, on the one hand, and quality and trust, on the other. Industry leaders are of the view the choices companies make now will decide whether Indian pharma remains a low-cost manufacturing base or becomes a global innovation force by 2047.
https://www.business-standard.com/industry/news/ai-trust-and-faster-innovation-bets-to-shape-india-s-pharma-future-by-2047-126022401190_1.html

External

India is conducting exercise for mapping import reliance

India has begun an exercise to map gaps in its manufacturing base and identify import reliance. The Department for Promotion of Industry and Internal Trade (DPIIT) is drawing up a list of commonly procured goods across various ministries and departments in which local manufacturing is unavailable to estimate the scale of imports. "To estimate the public procurement of these goods, the DPIIT will collate the data from all ministries," said an official, adding that a consolidated five-year procurement plan for such items would be made.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-is-conducting-exercise-for-mapping-import-reliance/articleshow/128761333.cms

Govt clarifies RoDTEP benefits not reduced for agricultural, food products exports

A day after slashing benefits for exporters under the popular Remission of Duties and Taxes on Exported Products (RoDTEP) scheme by half, the government, on Tuesday, notified that exports of agricultural and food products will not be subject to the reduced rates and value caps.
https://www.thehindubusinessline.com/economy/govt-clarifies-rodtep-benefits-not-reduced-for-agricultural-food-products-exports/article70671459.ece

WTO sets up panel in China's case against India's certain auto, renewable measures

The World Trade Organisation's dispute settlement body has set up a panel in a case filed by China against India over its measures in the automotive and renewable energy sectors, an official said on Tuesday. The panel was set up as both sides failed to resolve the issue through a bilateral consultation process under the aegis of the WTO.
https://economictimes.indiatimes.com/news/economy/foreign-trade/wto-sets-up-panel-in-chinas-case-against-indias-certain-auto-renewable-measures/articleshow/128756877.cms

Government allows export of 25 lakh tonnes of wheat

The government on Tuesday permitted exports of 25 lakh tonnes of wheat, according to a commerce ministry notification. The decision was taken earlier this month, but the directorate general of foreign trade (DGFT) notified it on Tuesday. "The export policy of Wheat ...continues to remain prohibited. However, export of 25 Lakh Metric Tonnes (LMT) of Wheat is permitted," the DGFT said.
https://economictimes.indiatimes.com/news/economy/agriculture/government-allows-export-of-25-lakh-tonnes-of-wheat/articleshow/128761557.cms