

March 05, 2026 – Thursday

Economy

India's services growth moderated in February as cost pressures mount, PMI shows

India's services sector growth slowed in February as new business rose at its slowest pace in over a year and firms faced the steepest cost pressures in two-and-a-half years, a survey showed. The HSBC India Services Purchasing Managers' Index, compiled by S&P Global, fell to 58.1 in February from January's 58.4, and undershot a preliminary estimate of 58.4. The 50-mark separates growth from contraction.
https://economictimes.indiatimes.com/news/economy/indicators/indias-services-growth-moderated-in-february-as-cost-pressures-mount-pmi-shows/articleshow/129007224.cms

West Asia war oil shock drives up currency hedging cost for Indian importers

The surge in oil prices from the intensifying Middle East war is making it costlier for Indian importers to hedge currency exposure, with higher rupee volatility and rising forward premiums pointing to heightened caution over the currency's near-term outlook.
https://www.thehindubusinessline.com/economy/west-asia-war-oil-shock-drives-up-currency-hedging-cost-for-indian-importers/article70702740.ece

Rupee slumps to all-time low of 92.16 against US dollar

The rupee slumped 67 paise to close at an all-time low of 92.16 against US dollar on Wednesday, weighed down by spiking crude oil prices in the wake of the Iran crisis. Forex traders said the dollar index crossed 98 levels on the risk-off situation prevailing all around the globe amid the US-Iran crisis, further pressurizing the rupee.
https://www.thehindubusinessline.com/markets/forex/rupee-slumps-to-all-time-low-of-9216-against-us-dollar/article70703060.ece

Finance

RBI creates intervention space as rupee faces renewed strain

The Reserve Bank of India has carved out more flexibility to defend the rupee, as rising geopolitical tensions and a spike in energy prices pushed the currency to a record low on Wednesday. The central bank has changed the maturity profile of its short dollar forwards, reducing near-term delivery obligations and pushing them further out, the latest RBI data show. By reducing the amount of dollars it must deliver over the next year, the central bank has more room to take on fresh short dollar positions and intervene if pressure on the rupee persists.
https://www.thehindubusinessline.com/money-and-banking/rbi-creates-intervention-space-as-rupee-faces-renewed-strain/article70702678.ece

CD ratio at 82.5%, banks step up short-term borrowings

Banks are lending a higher proportion of their deposits, further thinning liquidity buffers and increasing the reliance on short-term financing instruments, the latest central bank data showed. The credit-deposit (CD) ratio rose to a

record 82.5% in the fortnight ended February 15, as credit growth outpaced deposit growth by 281 basis points. One basis point is a hundredth of a percentage point. To bridge the gap, banks turned to short-term borrowings, issuing Rs 1.34 lakh crore worth of certificates of deposit (CDs) - the highest ever for any two-week period - underscoring their continued reliance on market funding to sustain loan growth.
https://economictimes.indiatimes.com/industry/banking/finance/banking/cd-ratio-at-82-5-banks-step-up-short-term-borrowings/articleshow/129046944.cms

G-Sec yields steady despite crude surge amid West Asia tensions

The Government Securities (G-Secs) market seems to be weathering the impact of the likely increase in inflation due to a spike in global crude oil prices, as Banks are supporting yields amid year-end considerations and traders are drawing comfort from India's reasonable energy buffer.
https://www.thehindubusinessline.com/money-and-banking/g-sec-yields-steady-despite-crude-surge-amid-west-asia-tensions/article70704226.ece

RBI's CMI norms set to impact private banks more due to higher exposure

With the Reserve Bank of India (RBI) tightening norms for bank finance to capital market intermediaries (CMIs), which include ban on loan for proprietary trading, private sector banks are likely to be impacted more as they have more exposure in this segment, banking industry sources said. Some of the private banks have around 2 per cent of their fund and non-fund-based exposures to CMIs. Last month, the regulator issued new norms barring bank finance for proprietary trading by brokers.
https://www.business-standard.com/industry/banking/rbi-s-cmi-norms-set-to-impact-private-banks-more-due-to-higher-exposure-126030300848_1.html

Pvt lenders to log higher liquidity coverage ratios gains on wholesale deposits

Banks with a larger pool of wholesale deposits, predominantly private sector lenders, are set to see an improvement in their liquidity coverage ratios (LCR) when the revised norms take effect on April 1. Under the new norms, wholesale deposits, particularly funds from trusts, partnerships and limited liability partnerships (LLPs), will attract lower run-off factors from FY27, reducing the assumed outflows in a stress scenario.
https://economictimes.indiatimes.com/industry/banking/finance/banking/pvt-lenders-to-log-higher-liquidity-coverage-ratios-gains-on-wholesale-deposits/articleshow/129045855.cms

Industry

Tensions in West Asia: Apparel exporters in troubled waters

Indian apparel exporters are bracing for delays and higher costs on shipments to the UAE, their fourth-largest market, as tensions in West Asia threaten to disrupt key sea routes. Exporters say even a modest rise in freight and insurance could squeeze the already thin margins and make it harder to meet contracts. The Gulf Cooperation Council (GCC) comprising Saudi Arabia, UAE, Oman, Qatar, Bahrain and Kuwait remains a key trade and economic partner for India, particularly for apparel. India's apparel exports to the GCC stood at $1.8 billion in FY25.
https://economictimes.indiatimes.com/news/economy/foreign-trade/tensions-in-west-asia-apparel-exporters-in-troubled-waters/articleshow/129045943.cms

IRDAI proposes Ind AS adoption for insurance sector from April 2026

The Insurance Regulatory and Development Authority of India (IRDAI), has released a consultation paper proposing the mandatory adoption of Indian Accounting Standards (Ind AS) for all insurers effective April 1, 2026. The move would bring life insurers, general insurers, health insurers, and reinsurers under a globally aligned financial reporting framework converged with International Financial Reporting Standards (IFRS).
https://economictimes.indiatimes.com/industry/banking/finance/insure/irdai-proposes-ind-as-adoption-for-insurance-sector-from-april-2026/articleshow/129035334.cms

NDAP overhaul in works to handle surge in big data

India's National Data and Analytics Platform (NDAP) architecture will undergo a major revamp as the government eyes substantial increase in the volume, velocity and variety to handle big data, such as the complete census, millions of daily transactions under the employment guarantee scheme and deployment of a generative artificial intelligence (GenAI)-powered system, to strengthen its analytical capabilities. The NDAP was launched by the NITI Aayog in 2022 to streamline access to published government data and facilitate evidence-based policymaking. The NDAP provides on a single platform datasets that are standardised, interoperable, searchable and usable by a wide range of users including policymakers, researchers, civil society and the private sector.
https://economictimes.indiatimes.com/news/economy/policy/ndap-overhaul-in-works-to-handle-surge-in-big-data/articleshow/128988719.cms

Agriculture

Farm worries crop up as fertiliser companies fear a gas crunch

The country is staring at a potential gas crunch after Qatar suspended LNG production, threatening to squeeze a key input for urea manufacturing and disrupting fertiliser supplies ahead of the summer and monsoon sowing seasons. While India currently holds about two months of buffer stocks of urea and di-ammonium phosphate (DAP), according to industry estimates, executives warned that any prolonged disruption in gas availability could force a suspension in local manufacturing. Qatar on Monday halted liquefied natural gas (LNG) production due to security concerns following Iranian drone attacks at its facilities as part of a broader retaliation to Israeli and US military strikes. Urea production relies heavily on imported LNG, and a sustained shortage would force plants to idle, tightening supplies just as farmers prepare for the coming summer crop cycle, followed by the kharif or monsoon crop season.
https://economictimes.indiatimes.com/news/economy/agriculture/farm-worries-crop-up-as-fertiliser-companies-fear-a-gas-crunch/articleshow/128990162.cms

Infrastructure

MIHAN project generates 1.27 lakh jobs, 120 firms invest in Nagpur hub

The Multi-Modal International Cargo Hub and Airport at Nagpur (MIHAN) project is one of the most important and ambitious projects of the State, Minister of Information Technology Ashish Shelar informed the Legislative Council today, adding that the project has so far generated employment for 1,27,225 people.
https://www.thehindubusinessline.com/economy/logistics/mihan-project-generates-127-lakh-jobs-120-firms-invest-in-nagpur-hub/article70703566.ece

Modified UDAN scheme to focus on airport sustainability and extended VGF support

Apart from enhancing regional connectivity, the proposed modified Ude Desh Ka Aam Nagrik (UDAN) scheme will focus on the long-term operational sustainability of developed aerodromes, sources told businessline.The revamped framework, sources said, marked a strategic shift from starting flights to ensuring the survival of ground infrastructure, moving away from a model that previously left regional airstrips vulnerable once initial subsidies expired.
https://www.thehindubusinessline.com/economy/logistics/modified-udan-scheme-to-focus-on-airport-sustainability-and-extended-vgf-support/article70703532.ece

Energy

Gujarat Gas declares *force majeure* as Middle East conflict cripples LNG supply

Gujarat Gas Ltd, one of India's largest city gas distributors, has declared *force majeure* on industrial gas supplies after strains on imported LNG caused by the ongoing war in West Asia disrupted the fuel availability chain, according to a regulatory filing made on Wednesday.
https://www.thehindubusinessline.com/companies/gujarat-gas-declares-force-majeure-as-middle-east-conflict-cripples-lng-supply/article70703645.ece

Telecom

DoT seeks legal clarity on dues of insolvent telcos

The department of telecommunications (DoT) has sought legal clarity around adjusted gross revenue (AGR) dues of companies such as Reliance Communications (RCom) and Aircel, currently going through insolvency proceedings, following a recent Supreme Court order that ruled spectrum cannot be transferred or sold by these companies. "The DoT has asked the attorney general (AG) to provide clarity on what should happen with the AGR dues and spectrum of such firms in the wake of the Supreme Court order," people aware of the details told ET. RCom has around ₹25,199.3 crore of AGR dues, while the amount for Aircel is about ₹12,389 crore.
http://economictimes.indiatimes.com/industry/telecom/telecom-news/dot-seeks-legal-clarity-on-dues-of-insolvent-telcos/articleshow/128987289.cms

States

AP amends act to facilitate leasing of assigned lands to clean energy projects

Andhra Pradesh can now allot assigned lands on the lease to the corporates who are willing to set up clean energy projects. The State Legislative Council has passed a bill in this regard to amend the existing provisions on the assigned lands in Amaravati on Wednesday which was already passed by the State Assembly last week.
https://www.thehindubusinessline.com/news/ap-amends-act-to-facilitate-leasing-of-assigned-lands-to-clean-energy-projects/article70703523.ece

Kerala gets ₹360 crore under Centre's SASCI scheme for compliance reforms

Kerala has received approval from the Union Finance Ministry for special assistance of ₹360 crore under the Compliance Reduction & Deregulation (Phase-I) component of the Special Assistance to States for Capital Investment (SASCI) scheme.
https://www.thehindubusinessline.com/news/national/kerala-gets-360-crore-under-centres-sasci-scheme-for-compliance-reforms/article70703017.ece

Tamil Nadu unveils Shipbuilding Policy 2026 to attract VLCC and mega vessel projects

The Tamil Nadu government on Wednesday unveiled its Shipbuilding Policy 2026, positioning the State as a hub for high-value, large ocean-going vessels, including Very Large Crude Carriers (VLCCs), as it seeks to capitalise on India's expanding maritime ambitions.
https://www.thehindubusinessline.com/economy/logistics/tamil-nadu-unveils-shipbuilding-policy-2026-to-attract-vlcc-and-mega-vessel-projects/article70703043.ece

External

WTO meet: India pushes tech transfer to boost developing nations' trade

Ahead of the upcoming ministerial meeting of the World Trade Organization, India on Tuesday urged developed nations to introduce measures to facilitate the transfer of relevant and advanced environmentally sound technologies to improve trade flows from developing and least-developed countries (LDCs). New Delhi highlighted persistent barriers faced by developing economies and LDCs in acquiring, adapting and deploying critical technologies, including export controls on inputs such as semiconductor chips and rare earth minerals, as well as rigid intellectual property regimes.
https://economictimes.indiatimes.com/news/economy/foreign-trade/wto-meet-india-pushes-tech-transfer-to-boost-developing-nations-trade/articleshow/128989767.cms

Japan and India renew $75 bn bilateral swap pact to boost financial safety

Japan and India have renewed their Bilateral Swap Arrangement (BSA) with effect from 28 February 2026, maintaining the size of the facility at up to $75 billion, the Reserve Bank of India said in a release on Monday. The Bank of Japan, acting as agent for Japan's Ministry of Finance, and the Reserve Bank of India signed the third amendment and restatement agreement of the BSA. The arrangement is a two-way currency swap framework under which both authorities can exchange their local currencies for the US dollar. The facility size remains unchanged at up to $75 billion.

http://business-standard.com/finance/news/japan-and-india-renew-75-bn-bilateral-swap-pact-to-boost-financial-safety-126030201084_1.html

India, Canada sign 5-year MoU to boost agri-food research cooperation

India and Canada strengthened bilateral cooperation in the agri-food sector with the signing of a five-year Memorandum of Understanding between the National Institute of Food Technology Entrepreneurship and Management-Kundli (NIFTEM-K) and the University of Saskatchewan (USask). The agreement was signed by NIFTEM-K Director Harinder Singh Oberoi and USask Vice President (Research) Baljit Singh in the presence of Saskatchewan Premier Scott Moe and senior officials of India's Ministry of Food Processing Industries, according an official statement. The partnership follows the announcement by the Prime Ministers of both countries of a jointly supported Centre of Excellence in Pulse Protein, to be led by NIFTEM-K and USask.
https://www.business-standard.com/industry/agriculture/india-canada-deepen-agri-food-ties-as-niftem-k-university-of-saskatchewan-sign-mou-126030300737_1.html

Indian fruit, vegetable exporters a worried lot as Iran war upsets all calculations

Ramzan and Easter, a critical season for Indian fruits and vegetables exporters catering to markets in West Asia and Europe, turned out to be time for major worry for them this year, The Times of India reported on March 4. Demand typically rises during this period. Several exporters even source seeds and cultivate produce specifically for Europe, where January to April is considered a lean cultivation season. However, ongoing disruptions have upended shipment plans and upset all calculations.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indian-fruit-vegetable-exporters-a-worried-lot-as-iran-war-upsets-all-calculations/articleshow/129009059.cms

Iran war disrupts global ocean freight and air cargo supply chains beyond oil

The Iran war has effectively halted oil tanker movement in the key Strait of Hormuz. But it's also disrupting the wider global supply chain beyond oil, affecting everything from pharmaceuticals from India, semiconductors from Asia and oil-derived products like fertilizers that come from the Middle East. Cargo ships are stuck in the Gulf or making a much longer detour around the southern tip of Africa. Planes carrying air cargo out of the Middle East are grounded. And the longer the war drags on, the more likely that there will be shortages and price increases on a wide range of goods.
https://economictimes.indiatimes.com/news/economy/foreign-trade/iran-war-disrupts-global-ocean-freight-and-air-cargo-supply-chains-beyond-oil/articleshow/129007329.cms