

July 1, 2026 – Wednesday

Key Developments

Govt approves proposal to amend Khadi and Village Industries Commission Act

The government has approved a proposal to amend the Khadi and Village Industries Commission (KVIC) Act, 1956, with the objective of modernising the legal framework governing the Khadi and Village Industries (KVI) sector, the MSME Ministry said on Tuesday. The proposed amendments aim to align the Act with contemporary economic and rural development priorities, strengthen institutional governance, promote inclusivity, formalise rural enterprises, and enhance the competitiveness of village industries in domestic and global markets.
https://economictimes.indiatimes.com/news/economy/policy/govt-approves-proposal-to-amend-khadi-and-village-industries-commission-act/articleshow/132096693.cms

Economy

Economy resilient but risks from monsoon, geopolitical uncertainties remain: FinMin report

The economy remains resilient, though moderation in some high-frequency indicators suggests a gradual easing of momentum, a Finance Ministry report said, while flagging risks from uneven monsoon rainfall, emerging El Nino conditions and geopolitical uncertainties.
https://economictimes.indiatimes.com/news/economy/policy/economy-resilient-but-risks-from-monsoon-geopolitical-uncertainties-remain-finmin-report/articleshow/132095875.cms

Pension savings can help fund infrastructure, support Viksit Bharat: CEA

Chief Economic Adviser V. Anantha Nageswaran on Tuesday said India's growing pension savings can play a crucial role in financing infrastructure and supporting the country's Viksit Bharat vision, while delivering stable, long-term returns for subscribers.
https://economictimes.indiatimes.com/news/economy/finance/maximizing-pension-savings-key-to-infrastructure-and-viksit-bharats-success/articleshow/132091825.cms

Fiscal deficit widens to 9.6% of FY27 target on higher spending

The central government's fiscal deficit in the first two months of this financial year stood at 9.6% of the annual target, compared with 0.8% a year earlier, driven mainly by a surge in spending in April followed by moderation in May. In absolute terms, the fiscal deficit between April and May was ₹1,62,354 crore, against ₹13,163 crore a year ago, according to official data released on Tuesday. The government has pegged the FY27 fiscal deficit at ₹16.96 lakh crore.
https://economictimes.indiatimes.com/news/economy/indicators/fiscal-deficit-widens-to-9-6-of-fy27-target-on-higher-spending/articleshow/132101032.cms

Household sector debt climbs to 45.5 pc of GDP in Sep 2025: RBI report

The overall debt of the household sector reached 45.5 per cent of the country's gross domestic product (GDP) due to an uptick in non-housing retail loans, according to the RBI's latest Financial Stability Report (FSR). The Reserve Bank of India said the increase in household sector debt was due to rising non-housing retail loans, which constituted 58.4 per cent of total borrowings as of March 2026. Their share has increased steadily over time, consistently outpacing housing loans, agriculture and business loans.
https://economictimes.indiatimes.com/news/economy/indicators/household-sector-debt-climbs-to-45-5-pc-of-gdp-in-sep-2025-rbi-report/articleshow/132095335.cms

New macro indicators in the works to track Viksit Bharat progress

The government is developing a comprehensive indicator framework to measure India's progress towards its goal of becoming a developed nation by 2047, people aware of the development told ET. The proposed Viksit Bharat Sankalp (VBS) indicator framework will create a data-driven mechanism to track the country's development trajectory through about 385 macro indicators spanning key sectors of the economy. The framework will assess progress towards the Viksit Bharat vision by tracking economic, social and infrastructure outcomes, with a focus on inclusive, resilient and sustainable development.
https://economictimes.indiatimes.com/news/economy/policy/new-macro-indicators-in-the-works-to-track-viksit-bharat-progress/articleshow/132100857.cms

Indian economy remains exposed to energy price shocks: RBI report

Exchange rate volatility may rise if oil prices increase due to the delayed normalisation of supply chain disruptions and additional demand to replenish inventory, an RBI report said on Tuesday. India's sound macroeconomic fundamentals provide ample buffers to deal with external shocks, said the RBI's Financial Stability Report (FSR).
https://economictimes.indiatimes.com/news/economy/indicators/indian-economy-remains-exposed-to-energy-price-shocks-rbi-report/articleshow/132095310.cms

Finance

RBI's FSR flags geopolitical risks to India despite West Asia truce

The Indian economy and the financial system continue to remain susceptible to geopolitical tensions and associated shocks despite headwinds from the West Asia conflict receding with the signing of the interim peace deal, cautioned the Reserve Bank of India's Financial Stability Report (FSR). The report, a half-yearly publication with contributions from all financial sector regulators, highlighted that India's sound macroeconomic fundamentals provide ample buffers to deal with external shocks.
https://www.thehindubusinessline.com/economy/rbis-fsr-flags-geopolitical-risks-to-india-despite-west-asia-truce/article71166239.ece

SEBI proposes stricter AIF rules on related-party transactions

The Securities and Exchange Board of India (SEBI) has proposed a wide-ranging overhaul of regulations governing Alternative Investment Funds (AIFs), including a revised investor consent framework and the replacement of the term "associate" with "related party" across the regulatory regime.
https://www.thehindubusinessline.com/markets/sebi-proposes-stricter-aif-rules-on-related-party-transactions/article71166522.ece

IBBI seeks to streamline real estate insolvency regulations with focus on homebuyers

The bankruptcy watchdog on Tuesday proposed a raft of steps, including the exclusion of completed or unaffected housing projects from the rescue process with financial creditors' approval, as it sought to streamline regulations and expedite insolvency resolution in the real estate sector.
https://economictimes.indiatimes.com/news/economy/policy/ibbi-seeks-to-streamline-real-estate-insolvency-regulations-with-focus-on-homebuyers/articleshow/132099599.cms

Corporate debt-servicing capacity improves, but share of vulnerable firms rises in Q4 FY26: RBI

The debt-servicing capacity of listed private non-financial companies improved in the March quarter of 2025-26, with the interest coverage ratio rising to 6.5, even as the share of financially vulnerable firms edged up, according to the Reserve Bank of India's Financial Stability Report.
https://economictimes.indiatimes.com/news/economy/policy/corporate-debt-servicing-capacity-improves-but-share-of-vulnerable-firms-rises-in-q4-fy26-rbi/articleshow/132097126.cms

Credit guarantee of Rs 13 lakh cr to micro, small cos in last few yrs; delayed payments under lens

The Centre has provided credit guarantees of Rs 13 lakh crore to micro and small enterprises over the last few years, a top official said on Tuesday, asserting that the government is monitoring delayed payments to MSMEs as it remains a "sore point" for the sector. Emergency Credit Line Guarantee Scheme (ECLGS) was launched in May 2020 to support eligible MSMEs and enterprises to meet their operational liabilities and restart businesses in the context of the disruption caused by the COVID-19 pandemic.
https://economictimes.indiatimes.com/news/economy/finance/credit-guarantee-of-rs-13-lakh-cr-to-micro-small-cos-in-last-few-yrs-delayed-payments-under-lens/articleshow/132094122.cms

Bank credit to industry grows at robust 17.5% in May: RBI

Bank credit to industry recorded a robust annual growth of 17.5 percent in May as advances to large industries grew at an accelerated pace, along with sustained healthy expansion in the MSE sector, according to Reserve Bank data released on Tuesday. On a year-on-year (y-o-y) basis, non-food bank credit grew by 17.4 percent as of the fortnight ended May 31, 2026, compared to 8.8 percent during the corresponding period of the previous year (May 30, 2025), according to sectoral deployment of bank credit for May 2026.
https://economictimes.indiatimes.com/news/economy/policy/bank-credit-to-industry-grows-at-robust-17-5-in-may-rbi/articleshow/132094808.cms

Banks NPA at multi-decadal low of 1.8%, Indian financial system remains resilient: RBI report

The Reserve Bank on Tuesday said Indian financial system remains resilient, underpinned by strong bank and non-bank balance sheets, as gross non-performing assets of banks have touched a multi-decadal low of 1.8 per cent at end-March 2026. Despite repeated shocks, the global financial system has thus far demonstrated notable resilience, with markets remaining orderly after an initial bout of volatility following the outbreak of the West Asia conflict, said the Financial Stability Report (FSR).
https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-npa-at-multi-decadal-low-of-1-8-indian-financial-system-remains-resilient-rbi-report/articleshow/132097606.cms

Industry

PM Modi interacts with govt secretaries; discusses reforms for ease of doing business, ease of living

Prime Minister Narendra Modi on Tuesday interacted with government secretaries and discussed with them on two key issues - deregulation and other reforms for 'ease of doing business' and 'ease of living' and promoting 'Aatmanirbharta'. During the interaction, the secretaries outlined the major steps being taken by their ministries and departments in line with the two key themes, officials said.
https://economictimes.indiatimes.com/news/economy/policy/pm-modi-interacts-with-govt-secretaries-discusses-reforms-for-ease-of-doing-business-ease-of-living/articleshow/132097737.cms

India's manufacturing growth expected to moderate in April-June due to West Asia crisis: FICCI

India's manufacturing growth is expected to moderate in the first quarter of the current fiscal compared to the previous quarter on account of muted business sentiment due to the West Asia crisis, according to a FICCI Survey released on Tuesday.
https://economictimes.indiatimes.com/news/economy/policy/indias-manufacturing-growth-expected-to-moderate-in-april-june-due-to-west-asia-crisis-ficci/articleshow/132097489.cms

Agriculture

Mobile app soon to help farmers assess soil health: Shivraj Singh Chouhan

Union Agriculture Minister Shivraj Singh Chouhan on Tuesday said the government will soon come out with a mobile app for farmers to help them assess soil health, while stressing on balanced and judicious use of fertilisers. The minister also advocated adoption of organic farming practices to naturally reduce dependency on chemical fertilisers.
https://www.business-standard.com/industry/agriculture/mobile-app-soon-to-help-farmers-assess-soil-health-shivraj-singh-chouhan-126063000577_1.html

Infrastructure

Dhubri-Phulbari Bridge over Brahmaputra set to boost Assam-Meghalaya connectivity via NH-127B

India is building the 19.3-km Dhubri–Phulbari Bridge over the Brahmaputra River, which will connect Assam and Meghalaya with an all-weather road link, according to the National Highways & Infrastructure Development Corporation Limited (NHIDCL). Officials say the bridge will improve regional connectivity, support freight movement and strengthen transport links across the Northeast once completed.
https://economictimes.indiatimes.com/news/videos/dhubri-phulbari-bridge-over-brahmaputra-set-to-boost-assam-meghalaya-connectivity-via-nh-127b/videoshow/132087828.cms

Energy

Centre extends duty relief on key petrochemical products till July 15

The PM Modi-led Central government announced on Tuesday that it has extended the import duty exemption on select critical petrochemical products by another 15 days, pushing the deadline to July 15. It covers around 40 key petrochemical products, including Anhydrous Ammonia, Methanol, Toluene, Styrene, Vinyl Chloride Monomer, Dichloromethane, Polybutadiene, Styrene Butadiene and Unsaturated Polyester Resins.
https://economictimes.indiatimes.com/news/economy/foreign-trade/centre-extends-duty-relief-on-key-petrochemical-products-till-july-15/articleshow/132092369.cms

LPG Cylinder Price: Commercial LPG down Rs 183.50 from July 1, first cut in 2026

The governments has reduced the price of a 19-kg commercial LPG cylinder by Rs 183.50, effective July 1, 2026, marking the first cut in commercial cylinder rates this year, according to media reports. The 19 kg commercial LPG cylinder price fell by Rs 183.50 in Delhi and Lucknow, by Rs 174 in Kolkata, by Rs 181.50 in Chandigarh, and by Rs 173 in Patna.
https://economictimes.indiatimes.com/industry/energy/oil-gas/cylinder-prices-slashed-commercial-lpg-down-rs-183-50-from-july-1-first-cut-in-2026/articleshow/132104096.cms

E25 petrol blend's test drive begins; study report expected by end of next year

The government has begun testing E25 petrol on vehicles to gauge the performance of the blend containing 25% ethanol, as part of efforts to increase the use of the locally produced biofuel and reduce dependence on imported crude oil. Senior government officials ET spoke with said the Automotive Research Association of India (ARAI) has been tasked with the study and that it has started testing the efficacy of E25 petrol on E10- and E20-compliant vehicles.
https://economictimes.indiatimes.com/industry/energy/oil-gas/e25-petrol-blends-test-drive-begins-study-report-expected-by-end-of-next-year/articleshow/132100675.cms

E20 mixing in trial phase, Centre tells SC; court orders status quo on ethanol quota

The Supreme Court asked the state-run oil marketing companies to keep ethanol supply allocations for Ethanol Supply Year (ESY) 2025-26 unchanged. This was in response to the Karnataka High Court's recent order directing enhancement of ethanol allocation for the ESY.
https://economictimes.indiatimes.com/industry/energy/oil-gas/e20-mixing-in-trial-phase-centre-tells-sc-court-orders-status-quo-on-ethanol-quota/articleshow/132100947.cms

India weighs 30-day LPG stockpile as BPCL leads storage expansion amid energy security push

State-run oil marketing companies are preparing a nearly 30-day strategic LPG storage plan to bolster energy security after the Iran war exposed India's supply risks through the critical Strait of Hormuz waterway. Three OMC executives said a major storage expansion proposal is in the works, with Bharat Petroleum Corporation Ltd (BPCL) set to invest Rs 5,000 crore to nearly double LPG capacity to 340 thousand metric tonnes (TMT) from around 200 TMT. Indian Oil Corporation and Hindustan Petroleum Corporation's LPG expansion plans are still on the drawing board.
https://economictimes.indiatimes.com/industry/energy/oil-gas/omcs-eye-expanding-lpg-buffer-to-30-days-from-national-average-of-18/articleshow/132100488.cms

India cuts windfall tax on diesel, raises petrol tax from July

India has lowered windfall taxes on exports of diesel and aviation turbine fuel as global oil prices ease, while raising the duty on petrol exports, according to a government order. The duty on diesel exports has been cut to Rs 8.5 per litre from Rs 14, while the aviation turbine fuel duty has been set at Rs 7.5/litre, down from Rs 12.5.
https://economictimes.indiatimes.com/industry/energy/oil-gas/india-cuts-windfall-tax-on-diesel-raises-petrol-tax-from-july/articleshow/132096600.cms

States

Delhi govt to launch EV portal in 4-5 days for online benefit claims

Delhi government's new portal for EV incentives is likely to be launched in four to five days, allowing buyers of eligible electric vehicles to apply online under the Delhi EV Policy, 2026, Transport department officials said on Tuesday.Under the new EV policy, verified applicants will receive purchase and scrapping incentives directly into their bank accounts via Direct Benefit Transfer.
https://www.business-standard.com/india-news/delhi-govt-to-launch-ev-portal-in-4-5-days-for-online-benefit-claims-126070100012_1.html

External

Automobiles biggest driver of India's export growth to Japan: Report

Automobiles have emerged as the biggest driver of India's export growth to Japan, with their share in outbound shipments rising sharply from just one percent in FY21 to 13 percent in FY26, reflecting the country's increasing integration into Japan-linked automotive value chains, according to a report.
https://economictimes.indiatimes.com/news/economy/foreign-trade/automobiles-biggest-driver-of-indias-export-growth-to-japan-report/articleshow/132099720.cms