

September 16, 2026 – Wednesday

Economy

India's unemployment rate eases to 5% in August; rural rate falls to 4.1%

The overall unemployment rate (UR) among persons aged 15 years and above dropped slightly to 5 per cent in August, as per the Periodic Labour Force Survey (PLFS) data released on Tuesday. According to an official statement, the overall UR among persons aged 15 years and above declined marginally from 5.1 per cent in July to 5 per cent in August. The UR also stood at 5.1 per cent in August 2025.
https://www.thehindubusinessline.com/economy/indias-unemployment-rate-eases-to-5-in-august-rural-rate-falls-to-41/article71468693.ece

India's current account deficit more than doubles to $7 billion in July as trade gap expands

India's current account deficit widened to $7 billion in July from $3.2 billion a year earlier, as a larger merchandise trade deficit offset an improvement in net services exports and higher transfer receipts, according to preliminary data released by the Reserve Bank of India (RBI) on Tuesday. The current account deficit for April-July 2026 stood at $11.2 billion, compared with $6.6 billion in the corresponding period a year earlier. The widening gap came as merchandise imports rose faster than exports, pushing the goods trade deficit to $117.8 billion during the first four months of the financial year, from $97.1 billion a year earlier.
https://economictimes.indiatimes.com/news/economy/foreign-trade/indias-current-account-deficit-widens-to-7-billion-in-july-as-trade-gap-expands/articleshow/134262704.cms

Finance

Bond yields hit 4-month high as RBI OMO sales, global headwinds weigh

Indian government bond yields surged on Tuesday, with the benchmark 10-year G-sec briefly testing the crucial 7.10 per cent mark amid concerns over RBI liquidity tightening, heavy debt supply and adverse global cues. The benchmark 10-year yield opened at 7.09 per cent and rose to an intraday high of 7.097 per cent, its highest level since May 21, 2026, before settling at 7.073 per cent, the highest closing level since May 22. Bond yields have been climbing since last week as investors reassess the interest-rate outlook amid persistent inflationary pressures and tighter liquidity conditions.
https://www.thehindubusinessline.com/markets/stock-markets/bond-yields-hit-4-month-high-as-rbi-omo-sales-global-headwinds-weigh/article71468684.ece

Indian diaspora deposits boost capital account to $33.5 billion surplus in July, RBI data shows

A net $33.5 billion accumulation of overseas deposits from the Indian diaspora helped the country's capital account log a massive surplus In July, also leading to positive balance of payments offsetting the current account deficit for the month, data published by the Reserve Bank of India showed. The capital account in July stood at a surplus of $27.7 billion. For the first four months, it was also a surplus of $23.9 billion, reversing the first quarter deficit as the RBI's dedicated dollar-mobilisation programme exceeded all expectations.

https://economictimes.indiatimes.com/nri/invest/indian-diaspora-deposits-boost-capital-account-to-33-5-billion-surplus-in-july-rbi-data-shows-nri-deposits/articleshow/134267158.cms

Introduction of MDR on large value transactions to strengthen UPI's long-term sustainability: RBI

The introduction of Merchant Discount Rate (MDR) on large-value UPI transactions is an important step towards strengthening the long-term sustainability of India's digital payments ecosystem, the Reserve Bank said on Tuesday following a proposal to levy a 0.4 per cent fee on transactions exceeding Rs 2,000. "It will help UPI in continuing to scale, innovate and serve consumers and businesses across the country," the Reserve Bank of India (RBI) said in a post on X.

https://www.thehindubusinessline.com/money-and-banking/introduction-of-mdr-on-large-value-transactions-to-strengthen-upis-long-term-sustainability-rbi/article71470899.ece

FPI registration in India to take five business days as Citi launches digital onboarding platform

The time taken by foreign portfolio investors (FPIs) to register in India is set to come down to five business days, as regulators and market intermediaries step up efforts to simplify and digitise the onboarding process. Citigroup has launched eFPI @ Citi, a digital onboarding platform that aims to let eligible foreign investors complete registration in five business days. The platform is designed to simplify documentation and reduce the time taken to bring overseas investors into the Indian capital markets.

https://www.thehindubusinessline.com/markets/fpi-registration-in-india-to-take-five-business-days-as-citi-launches-digital-onboarding-platform/article71469178.ece

SEBI proposes shorter DR drills, stronger resilience for market infrastructure

The Securities and Exchange Board of India (SEBI) has proposed shorter disaster recovery (DR) drills and stronger operational resilience measures for market infrastructure institutions (MIIs), including stock exchanges, clearing corporations and depositories. Under the proposal, DR drills would be conducted on non-working days for at least four hours, including the switch from the primary data centre (PDC) to the disaster recovery site (DRS). MIIs would still be required to simulate real-life market conditions, including different market-operation scenarios and loads close to actual participation.

https://www.thehindubusinessline.com/markets/sebi-proposes-shorter-dr-drills-stronger-resilience-for-market-infrastructure/article71468777.ece

Industry

Mobile number portability row hints at a shift in market dynamics, say experts

The recent conflict between leading telcos Bharti Airtel, Reliance Jio, and Vodafone Idea (Vi) regarding mobile number portability tactics strongly indicates a change in market dynamics, moving away from the assumed duopoly, according to experts. Leading telecom companies Airtel and Jio recently wrote to the sector watchdog, the Telecom Regulatory Authority of India (TRAI), alleging that the third telecom service provider (TSP), Vi, attempted to poach users to its network by offering special plans and hindering the porting-out process by blocking SMS messages.

https://www.thehindubusinessline.com/info-tech/mobile-number-portability-row-hints-at-a-shift-in-market-dynamics-say-experts/article71468840.ece

Agriculture

El Niño effect: Kharif crops, winter sowing face stress as drought hits 53% of India

With the monsoon entering its final weeks, El Nino-induced drought-like conditions affecting more than half of India are raising concerns about standing kharif crops and soil moisture ahead of the winter planting season. About 53.2% of India's landmass is experiencing some degree of drought, according to the India Drought Monitor developed by IIT Gandhinagar's Water and Climate Lab. The affected area has expanded sharply from about 46% a week ago. Of the country's total area, 33.4% is under moderate drought or worse, 15.4% under severe drought or worse, and 3.8% under extreme drought till September 9, according to the monitor.

https://economictimes.indiatimes.com/news/economy/agriculture/el-nio-effect-kharif-crops-winter-sowing-face-stress-as-drought-hits-53-of-india/articleshow/134271996.cms

Indian government allocates record sugar sales quota for September to rein in retail prices

The Indian government has announced 13.5 lakh tonnes (lt) as the sugar quota for sales in the domestic market during September 16-30 period, taking the total quantity to 26.5 lt for whole of September. This is the highest-ever for the month. Experts view the decision as an effort to cool the retail prices ahead of *Dussehra* festival, which will be celebrated on October 20.

https://www.thehindubusinessline.com/economy/agri-business/indian-government-allocates-record-sugar-sales-quota-for-september-to-rein-in-retail-prices/article71469009.ece

States

Tamil Nadu can unlock ₹1.2 lakh crore in annual fiscal capacity without new taxes or borrowing, says report

Can Tamil Nadu improve its revenue position without resorting to higher borrowing or taxing the citizens? A new report by global management consulting firm Kearney said that the State's fiscal challenge can be addressed by better managing revenue already generated by its economy and ensuring spending discipline rather than introducing new taxes. Narrowing Tamil Nadu's efficiency gap with its peer States could create more than ₹1.2 lakh crore of annual fiscal capacity, without going for new taxes or additional borrowing, said the report by Kearney titled "Tamil Nadu's fiscal crossroads."

https://www.thehindubusinessline.com/news/tamil-nadu-can-unlock-12-lakh-crore-in-annual-fiscal-capacity-without-new-taxes-or-borrowing-says-report/article71468521.ece

Healthcare

Encourage a 'reverse brain drain' to move from generics to innovation: Clincial research industry

Encourage a reverse "brain drain," say representatives of the clinical research community citing the China example as a suggestion to help the Indian biopharmaceutical industry make the research journey from generics to innovative medicines. Over a 15 years-plus timeframe, China has created an innovative ecosystem and are today able to have "an inside-out product ...from China to the world," Anirban Roychowdhury, Honorary General Secretary with the Indian Society for Clinical Research (ISCR) told *businessline*.

https://www.thehindubusinessline.com/news/science/encourage-a-reverse-brain-drain-to-move-from-generics-to-innovation-clincial-research-industry/article71468951.ece

External

BNP Government of Bangladesh reviews 101 pacts signed with India

The BNP government in Dhaka has sought to up the ante against New Delhi by deciding to review the India-Bangladesh agreements, including those in the infrastructure sector, and putting bureaucrats trained in India under scrutiny. Bangladesh is reviewing 101 agreements signed with India, according to ruling Bangladesh Nationalist Party (BNP) Parliament chief whip Nurul Islam Moni.

https://economictimes.indiatimes.com/news/economy/foreign-trade/bnp-government-of-bangladesh-reviews-101-pacts-signed-with-india/articleshow/134271573.cms

US seeks details of India's rice stocks used for Ethanol output

The US has sought details from India on the use of rice stocks for non-food purposes such as ethanol production, alleging that government-held rice procured under the price support programme has exceeded the government's food security needs, resulting in rice being released below cost and for non-food purposes.

https://economictimes.indiatimes.com/news/economy/agriculture/us-seeks-details-of-indias-rice-stocks-used-for-ethanol-output/articleshow/134271804.cms

Goods exports up 26% in August, trade deficit eases: Engineering, petroleum products, chemicals and textiles lead shipments; US remains top market

India's goods exports rose 26.1% in August to $43.81 billion from the year before, driven by higher demand from the US, EU, BRICS countries and other emerging economies, while the trade deficit narrowed to a five-month low of

$26.86 billion from a year ago as imports, especially of gold, slowed. Exports were dominated by sectors such as engineering, petroleum products, chemicals and textiles.
https://economictimes.indiatimes.com/news/economy/foreign-trade/goods-exports-up-26-in-august-trade-deficit-eases-engineering-petroleum-products-chemicals-and-textiles-lead-shipments-us-remains-top-market/articleshow/134271608.cms

WTO cites India-EFTA trade deal as unilateral mechanism to achieve market access outcome

The World Trade Organization (WTO) Tuesday cited tariff reductions by India in exchange for foreign direct investment (FDI) from the European Free Trade Association (EFTA) over fixed time-frames as part of their trade deal as an example where unilateral enforcement mechanisms are tailored to achieve market access outcomes.
https://economictimes.indiatimes.com/news/economy/foreign-trade/wto-cites-india-efta-trade-deal-as-unilateral-mechanism-to-achieve-market-access-outcome/articleshow/134271614.cms

India ramps up preparedness for European Union's carbon tax; verifiers begin EU registry access

India has stepped up preparations to help exporters comply with the European Union's Carbon Border Adjustment Mechanism (CBAM), with the commerce ministry setting up a committee comprising representatives from key ministries and departments, regulators and industry bodies, a senior official said on Tuesday.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-ramps-up-preparedness-for-european-unions-carbon-tax-verifiers-begin-eu-registry-access/articleshow/134269246.cms

More talks likely between India, China to address trade concerns, imbalance, supply chain: Trade Secy

India and China are exploring measures to narrow the trade gap and make cross-border commerce more balanced, and further talks are likely as both sides seek to address trade concerns and supply-chain issues, commerce secretary Rajesh Agrawal said Tuesday. He said the two are working to address concerns over bilateral trade, including the structural imbalance and supply-chain challenges, as they seek to build on discussions held on the sidelines of the BRICS summit in New Delhi.
https://economictimes.indiatimes.com/news/economy/foreign-trade/india-and-china-to-hold-more-talks-to-address-trade-imbalance-and-supply-chain-issues/articleshow/134262515.cms

New Zealand parliament passes India trade deal, cutting tariffs on most exports

New Zealand's parliament on Wednesday passed legislation to implement a free trade agreement with India, under which tariffs on about 95% of New Zealand exports to India would be eliminated or significantly reduced. The legislation passed by a vote of 93–29, with support from the opposition Labour Party. More than half of all products covered would become duty-free from the day it takes effect.
https://www.thehindubusinessline.com/news/new-zealand-parliament-passes-india-trade-deal-cutting-tariffs-on-most-exports/article71470881.ece

CBAM: India working with the EU to secure recognition for accreditation body, verification agencies

India is working with the European Union to secure recognition for its national accreditation body, National Accreditation Board for Certification Bodies (NABCB), and local verification agencies under the bloc's Carbon Border Adjustment Mechanism (CBAM) which has already entered the definitive phase for compliance, officials have said. At the same time, the Commerce Ministry is also working with exporters to create awareness on how they should get their embedded emissions verified.
https://www.thehindubusinessline.com/economy/cbam-india-working-with-the-eu-to-secure-recognition-for-accreditation-body-verification-agencies/article71469494.ece