



## Public Finance

### **India Inc set for modest 7-8% revenue growth in Q4 as rural demand rebounds: ICRA**

India is expected to see a 7-8% YoY revenue growth in Q4 FY2025 due to a resurgence in rural demand and improved urban consumption, according to ICRA. The stock market will focus on operating margin trends, government spending, and global macroeconomic developments. A well-distributed monsoon in 2025 is crucial for sustaining agricultural momentum.

*(The Economic Times)*

### **Concerns raised over Panchayat fiscal health**

The 16th Finance Commission is pushing Panchayats to raise their Own Source Revenue (OSR) for financial autonomy. The Centre has initiated a study to build a viable financial model and has asked states to address gaps identified in the report. Recommendations include clear tax guidelines, appointing trained staff, and legal amendments. Poor collection and human resource issues, particularly in UP, have slowed Panchayat level financial autonomy. *(The Economic Times)*

### **Modi govt seeking to cut states' share of Central taxes from 2026?**

The Modi government plans to reduce central tax revenues that states receive, according to sources. The suggestion will be made to the Finance Commission of India, which makes recommendations on tax sharing and federal-state fiscal relations. The panel, headed by economist Arvind Panagariya, will submit its recommendations by October 31 for implementation from fiscal year 2026-27. The central government will recommend a reduction of at least 40% in state tax share from 41%.

*(The Economic Times)*

### **Eighth Pay Commission may upset the downward path of the debt-GDP ratio, says EY report**

Implementation of Pay Commission may lead to additional borrowing and disrupt the plan of lowering debt to GDP (Gross Domestic Product) ratio, EY has cautioned in its monthly report. In its special edition on economy watch, it also said that maintaining tax buoyancy in the 1.2-1.5 range could help the government achieve the growth rate of 6.5-7 per cent. Economists feel that rise in pay and pension bill likely to impact fiscal consolidation roadmap as announced in FY26 Budget. *(BusinessLine)*

### **Voluntary pension scheme for all on cards: Won't be tied to employment**

India is considering a Universal Pension Scheme that would be voluntary and contributory, aimed at providing social security to all, officials said. The scheme will incorporate existing central pension programs to streamline processes, extend benefits to unorganized workers, and include traders and self-employed individuals for comprehensive coverage. *(The Economic Times)*

## **Decision on recommending revenue deficit grants for states yet to be made: Finance Commission chief**

A decision on recommending providing revenue deficit grants to states is yet to be made, its Chairman Arvind Panagariya said here on Monday. The full team of the 16th Finance Commission, led by Panagariya, is in Aizawl to hold consultations with the Mizoram government. Addressing a press conference, he said the Post Devolution Revenue Deficit (PDRD) Grants are given to states to bridge the revenue gap post devolution and have been a part of recommendations of most past Finance Commissions. *(The Economic Times)*

## **Comprehensive scheme for debt restructuring of discoms needs to be devised: Senthilbalaji**

State Electricity Minister Senthilbalaji on Thursday called for devising a comprehensive scheme for debt restructuring of State power distribution companies (discoms). The burden of take-over of the debt must be shared between the States and the Centre for better uptake of the scheme. The scheme may be linked to financial reforms to ensure accountability of the discoms and prevent further debt accumulation, he said addressing at the 2nd Group of Ministers meeting of State Electricity Ministers, which was held in Mumbai. *(The Hindu)*

## **Reducing fiscal deficit to around 3% of GDP difficult: Govt to IMF**

The six year road map till 2030-31 (FY31) aims to bring down debt to GDP ratio to 50 percent, with one percentage point deviation from either side, from 57.1 percent in FY25. For FY26, the Budget pegs debt to GDP ratio at 56.1 percent — assuming nominal GDP growth of 10.1 percent — effectively aiming to bring it down by 1 percentage point. *(Business Standard)*



### **Taxation**

## **Tripura has started using AI to identify tax evaders, says CM Manik Saha**

Tripura Chief Minister Manik Saha said the state has been using artificial intelligence (AI) to identify tax evaders and will take action against them. While addressing GST 'Jaagrookta Abhiyan' at Prajna Bhavan, the chief minister said the tax collection plays a key role in accelerating development in the northeastern state. *(Business Standard)*

## **Madras High Court rules in favour of 12% GST for railway contracts**

In a major relief to contractors in railway projects, the Madras High Court has upheld the 12 per cent concessional rate of goods and services tax (GST) for contract services provided to Rail Vikas Nigam Ltd (RVNL), rejecting the tax department's demand for 18 per cent GST. The case involved STS-KEC, a joint venture between Stroytechservice LLC (Russia) and KEC International, which was awarded a contract for railway infrastructure projects. *(Business Standard)*

### **CBDT introduces new rules for business trusts and investment funds, tightening compliance and updating tax forms**

The Central Board of Direct Taxes Tuesday introduced new rules for business trusts and investment funds, tightening compliance requirements and updating tax return forms. Under the new rules, effective immediately, business trusts are required to file statements of income distributed to investors with the Commissioner of Income Tax (CIT) by June 15, instead of November 30. (*The Economic Times*)

### **Parliament panel examining Income Tax Bill holds first meeting**

The Finance Ministry on Monday briefed the members of a Select Committee of Lok Sabha on various aspects of the Income Tax Bill as the panel headed by BJP MP Baijayant 'Jay' Panda held its first meeting. Sources said the finance secretary told the parliamentarians that the Bill will simplify the existing Act, enacted over six decades back, and make it more user-friendly. (*The Economic Times*)

### **40,000 taxpayers under lens for deductions, CBDT targets TDS defaulters**

Nearly 40,000 taxpayers are being examined based on tax deductions claimed during the financial years 2022-23 and 2023-24, according to a report by The Economic Times. The Central Board of Direct Taxes (CBDT) has devised a comprehensive 16-step strategy to pinpoint discrepancies in Tax Deducted at Source (TDS) compliance, the report said. Meanwhile, the data analytics unit has compiled a detailed roster of taxpayers flagged for review. (*Business Standard*)



## **National Accounts and State of the Economy**

### **Over 50% individuals feel savings not enough for future, finds study**

The study of individuals in age group of 35 to 54 years who financially provide for their aging parents and growing children found that 60 percent of respondents feel their savings are not enough. They show high reliance on credit and also seem to be exhausting savings as well as income. 64 per cent fund their short-term aspirations via credit, 49 per cent savings, and 47 per cent regular future income," the study by YouGov and Edelweiss Life Insurance said. (*Business Standard*)

### **Top 10 wealthiest countries by GDP per capita in 2025: Where does India stand?**

Richest Countries by GDP per capita 2025: In a notable mention, Singapore moved up two positions to become the second richest country in the world, surpassing Macau SAR, with a GDP per capita of \$153.61 thousand. The International Monetary Fund (IMF) has published its newest projections, highlighting the wealthiest countries according to their purchasing power parity (PPP) per capita. (*Indian Express*)

### **Economy likely to have grown between 6.3-6.5% in Q3**

Consumption has also improved. At the same time, government expenditure, more in terms of capital expenditure, has seen rise. All these are expected to have an impact on growth, and it is expected to cross 6 per cent. Officials expect it could touch 6.5 percent. (*BusinessLine*)

## India GDP data to soothe nerves? The economy's recovery is likely clouded by trade risks ahead

The six year road India's economy likely rebounded last quarter, although growth prospects remain uncertain in coming months as US President Donald Trump threatens to upend global trade with tariffs. (*The Economic Times*)

## IMF sees India recovering in H2 led by govt capex, rural demand

Growth is expected to accelerate in the second half of the fiscal year, supported by a catch-up in government capital spending and continued strengthening of rural demand. Overall, growth for 2024-25 is projected at 6.5 per cent, with the output gap estimated to be broadly closed," said an IMF report prepared on the basis of 2024 Article IV consultation with India. The report came a day before the official announcement of growth numbers for the October-December quarter (Q3) of FY25. (*BusinessLine*)

## India's spending on philanthropy to jump by 10 to 12% in next 5 years: What new report found

Over the next five years, private funding in India's social sector is expected to see a 10%-12% annual growth, largely driven by family philanthropy from high-net-worth individuals (HNIs), according to a new report released on Thursday (February 27). (*Indian Express*)



## Banking and Monetary Policy

### Necessary infusion The RBI's long-term currency swap was likely forced by financial volatility

The Reserve Bank of India's (RBI) recent decision to inject an additional \$10 billion into the financial system through a dollar/rupee swap auction is a timely measure aimed at addressing long-term liquidity concerns among domestic lenders. These concerns stem from a flight of foreign capital from Indian stock markets, as investors seek better returns in the United States amid President Donald Trump's proposed corporate tax cuts and ongoing tariff wars, which have strengthened the U.S. dollar against global currencies. This marks the second such rupee infusion in less than a month.

(*Business Standard*)

### India's manufacturing slump prompted Feb. rate cut: RBI

India's monetary policy committee cut the key repo rate due to a sharp slowdown in the manufacturing sector, a key driver of job creation. The decision was influenced by concerns about the sector's weaknesses due to subdued urban consumption and slow private investment growth. The sector grew 2.2% in the September quarter, much slower than the 7% growth seen in the June quarter. (*The Hindu*)

### **MPC minutes: Repo rate was cut as inflation aligning with target, says Guv**

Reserve Bank of India (RBI) Governor Sanjay Malhotra said the repo rate cut in the February meeting of the monetary policy committee (MPC) was due to inflation aligning with the target and recognising the fact that monetary policy is forward-looking. The RBI has projected consumer price index (CPI) inflation at 4.2 percent for the fourth quarter as well for the financial year 2025-26. Malhotra also said food inflation pressures were likely to ease significantly due to robust kharif harvest arrivals, the winter season correction in vegetable prices, and a promising rabi crop outlook. *(Business Standard)*

### **Reserve Bank lowers risk weight on banks' exposure to NBFCs**

The Reserve Bank of India (RBI) has lowered the risk weight on the exposure of Scheduled Commercial Banks' (SCBs) lending to non-banking finance companies (NBFCs) and microfinance loans. *(The Hindu)*

### **RBI frees up bank capital with NBFC risk weight rollback**

With bank loan growth slowing over the past year, the Reserve Bank of India (RBI) has decided to reverse its decision to increase the risk weight of bank loans to nonbanking financial companies (NBFCs), which will result in a substantial release of capital for banks. *(Business Standard)*

### **Banks continue to rely on CDs amid liquidity woes**

Banks in India are raising funds through certificates of deposit (CDs) due to tight liquidity conditions, with the outstanding amount on CDs reaching an all-time high of ₹ 5.19 trillion as of February 7. The volume of commercial papers (CPs) outstanding reached ₹ 4.79 trillion as of February 15, its highest level since October 2019. Deposit accretion has been a challenge in the industry, and credit demand remains elevated, leading to an increase in the outstanding amount.

*(Business Standard)*

### **RBI for foreclosure of business loans to MSEs, individuals**

The Reserve Bank of India (RBI), in a draft circular issued on Friday, mandated lenders to permit foreclosure or prepayment of all floating rate loans sanctioned to individuals for purposes other than business, without levying any penalties or charges.

*(Business Standard)*

### **RBI may hold fresh talks on project financing in 3 months**

The objective was to strengthen the existing regulatory framework and harmonise the norms across the lending community, including all kinds of banks, financial institutions, and non banking financial companies (NBFCs). The RBI had proposed to set aside 5 percent of the total exposure to a project till its construction is on. Once the project enters its operational phase and starts generating cash flows, this allocation can be reduced to 2.5 per cent. Further reduction to 1 per cent is possible if the project's cash flows cover all repayment obligations and its long term debt is decreasing.

*(Business Standard)*

### **Repo rate one of many factors to revive growth'**

The backdrop for the MPC decision to cut the repo rate by 25 basis points was provided by the need to support economic growth momentum and the elbow room provided by the moderation of inflationary pressures. The NSO's First Advance Estimates put the economic growth rate for 2024-25 at 6.4 per cent compared to the RBI's projection of 7.2 per cent during the October 2024 policy. ([Business Standard](#))

### **RBI eases lending rules to revive credit growth as bank lending slows and consumption weakens**

RBI is gradually easing banking credit by lowering CRR, adjusting repo rates, and reducing risk weights on bank lending to non-banks and microlenders. These steps aim to revive consumption and credit growth, which have slowed due to reduced bank exposure to non-banks and high borrowing costs. ([The Economic Times](#))

### **Rupee plunges over 50 paise to end at 87.21 on heavy \$ demand**

The rupee plunged over 50 paise on Tuesday to move past the psychologically-crucial 87 to the dollar mark on heavy month-end importer demand for dollars, FPI selling in the Indian capital markets, and uncertainty about the effect of Trump tariffs. ([BusinessLine](#))

### **Banking on financial services**

The last three quarters have seen profit growth slowing sharply for many companies. Stock markets have swiftly derated those where valuations don't match their growth metrics. However, today, financial services firms trade below their long-term averages in terms of valuation despite delivering better growth than most other sectors. This makes it a good time for investors looking for returns with strong downside protection, to buy Invesco India Financial Services Fund, a fund that has aced this category. ([BusinessLine](#))

### **'Banks will take cautionary stance on lending to NBFCs'**

Banks will stay conservative in the short run while lending to non-banking finance companies (NBFCs) due to fears of performance in the sector, according to Pankaj Naik, Director of India Ratings and Research (Ind-Ra). Both secured and unsecured loans were showing signs of stress in NBFCs. Asset quality pressures will show up in FY26, a gradual increase in bank's exposure to NBFCs would be concentrated on the ones with higher ratings. ([The Hindu](#))

### **PSU banks to submit plans for raising capital by next month**

State-run banks will present a strategic road map for capital-raising and expansion plans for FY 2025-26 to 2027-28 next month. The government plans to assess these projections to determine the timing and extent of its stake reductions in the banks, focusing on enhancing strategic capabilities like GenAI systems. ([The Economic Times](#))

### **Liquidity management, a tightrope walk**

In the first half of the year, the lament was that deposits had moved over to the capital market which was a truism. Booming stock markets and higher returns made investments in equity and mutual funds attractive. And this was the time when interest rates peaked with the repo rate at 6.5 per cent. Banks could not offer higher returns on deposits without impinging on profit margins. ([BusinessLine](#))



## External Sector

### **India, U.K. resume FTA negotiations**

Declaration comes days after U.S. President Trump criticised India for high trade tariffs. India and the United Kingdom (U.K.) on Monday restarted negotiation for a trade pact. The announcement was made jointly by Minister of Commerce and Industry Piyush Goyal and the Trade Secretary of the U.K. Jonathan Reynolds who is visiting here. Addressing a joint press conference, the visiting Trade Secretary said the trade pact is of 'top priority' for the government of Prime Minister Keir Starmer. (*The Hindu*)

### **'India, U.S. in talks to mitigate impact of reciprocal tariffs'**

India can mitigate the impact of higher U.S. tariffs through talks and by providing greater market access for farm products and increasing energy purchases, Moody's said on Tuesday. "To mitigate pressure from reciprocal tariffs, the U.S. and India are reportedly now in talks for India to lower import tariffs on select U.S. products, increase market access for U.S. farm products and increase U.S. energy purchases, while seeking to initiate a trade deal by the fall of 2025," the rating agency said. (*The Hindu*)

### **Australian exporters to save \$2 bn in tariffs due to trade pact with India**

Exporters from Australia saved around \$2 billion in tariffs by the end of December 2024 due to tariff concessions implemented under the (ECTA), or the interim trade deal, between the two countries, according to an official statement. The ECTA came into force on December 29, 2022. Under the deal, by value, over 85 per cent of Australian goods exported to India are now tariff-free, which is going to rise to 90 per cent in 2026. As much as 96 per cent of imports from India are now tariff-free, and will rise to 100 per cent by 2026. (*Business Standard*)

### **India secures permission to explore copper and cobalt deposits in Zambia**

India has been granted permission to explore copper and cobalt deposits in Zambia, covering 9,000 sq km. The exploration team, led by the Geological Survey of India, will invest around ₹15-20 crore, primarily from the Mines Ministry's budget. The minerals are considered strategic and critical. The exploration process, which includes prospecting, drilling, mapping, and sampling, is expected to take two-three years before a clear commercial mining viability report can be produced. (*BusinessLine*)

### **'U.S. tariffs to hit gold jewellery exports'**

The likelihood of India's key export products to the U.S. attracting higher tariffs ranging from 5% to 20% [in case the Union government fails to nullify the action by providing increased market access and buying more technology from the U.S.], could negatively impact India's gem and jewellery exports to that market, as per a study conducted by the Gem & Jewellery Export Promotion Council (GJEPC), India's apex trade body.

(*The Hindu*)

### **India, China worked hard to protect G-20: Jaishankar**

India and China have “worked hard to preserve” the G-20 organisation, said External Affairs Minister S. Jaishankar on Friday during talks with Chinese Foreign Minister Wang Yi on the sidelines of the G-20 Foreign Ministers’ meeting in Johannesburg, South Africa. In the half-hour-long meeting where they discussed bilateral developments, including the situation on the Line of Actual Control (LAC), Mr. Jaishankar pointed out that both countries are “members of the G-20, SCO and BRICS”, and had discussed “regional and global” issues. *(The Hindu)*

### **India, U.K. resume FTA negotiations**

India and the UK have resumed negotiations for a trade pact, announced by India's Minister of Commerce and Industry Piyush Goyal and the UK's Trade Secretary Jonathan Reynolds. The pact is of 'top priority' for Prime Minister Keir Starmer's government and aims for a balanced, mutually beneficial deal that delivers growth and builds on the strengths of the two complementary economies. *(The Hindu)*

### **‘India, U.S. in talks to mitigate impact of reciprocal tariffs’**

Moody's has suggested that India can counteract the effects of higher US tariffs by engaging in talks, increasing market access for farm products, and increasing energy purchases. The US and India are also in discussions to lower import tariffs on select US products, increase market access for US farm products, and initiate a trade deal by fall 2025. The Asia Pacific region, including India, Vietnam, and Thailand, has the widest rate differentials relative to the US. *(The Hindu)*

### **EU ready to address ‘specific concerns’ of India on carbon tax levy on imports**

The European Union has acknowledged India's concerns about the implementation of the Carbon Border Adjustment Mechanism (CBAM), a tool to impose taxes on imports of certain carbon-intensive goods. The EU is committed to addressing these concerns and sharing its experience to help in its implementation. Although some of the concerns may be deemed “illegitimate,” the EU is committed to addressing them and collaborating with parties worldwide affected by CBAM. *(BusinessLine)*

### **India to face US pressure to reduce tariffs on agri products in trade deal negotiations**

While New Delhi is considering a range of items for tariff reductions on US products, Washington, DC is particularly keen on exporting more agricultural goods to India and is seeking a reduction in tariffs in this traditionally high-protection sector, The Indian Express has learnt. Discussions on agricultural tariffs are set to arise during negotiations for the India-US bilateral trade agreement. Early indications suggest that agricultural exports are an “offensive interest” of the new Donald Trump administration, which is looking to boost US exports, a person aware of the development said. *(The Indian Express)*

### **Australia unveils \$ 16 mn outlay to boost trade ties with India**

Australian Prime Minister Anthony Albanese has announced a roadmap to strengthen economic ties with India, focusing on clean energy, education, agribusiness, and tourism. The roadmap aims to seize trade and investment opportunities from India's economic growth, with \$16 million allocated to an Australia-India Trade and Investment Accelerator Fund.

*(Business Standard)*



## Agriculture and Rural Economy

### **Coal-fired power plants in India cut rice, wheat yield by up to 10%**

According to new research led by researchers at Stanford University in the U.S., coal-fired power plants are quietly depleting India's rice and wheat output, destroying up to 10% of the yield in several States. The emissions from coal power plants include carbon dioxide, nitrogen oxides, sulphur oxides, fly ash, soot, suspended particulate matter, and other trace gases. These pollutants have been linked to smog, acid rain, eutrophication and various other environmental burdens. (*The Hindu*)

### **Over 70% farmers still use cash to sell their produce**

More than 70% of Indian farmers still rely on cash to sell their produce, show data from a survey published by the Reserve Bank of India. This share has increased only slightly since the pre-COVID-19 years, despite the pandemic boosting digital payments in other sectors of the economy. Data also show that a significant number of farmers still rely on word-of-mouth from traders and fellow farmers to discover market prices for their produce, rather than using websites or apps. This share has remained the same when compared with the pre-pandemic years. (*The Hindu*)

### **All-India Consumer Price Index for agricultural labourers rises 4.61% on year**

The All-India Consumer Price Index for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) decreased by 4 points & 3 points, respectively for the month of January 2025, reaching 1316 and 1328 points. The year-on-year inflation rates based on CPI-AL and CPI-RL for the month of January, 2025 were recorded at 4.61% and 4.73%, respectively, compared to 7.52% and 7.37% in January, 2024. The corresponding figures for December, 2024 were 5.01% for CPI-AL and 5.05% for CPI-RL. (*Business Standard*)

### **Double horticulture output to meet Viksit Bharat demand, says IIHR chief**

India needs to double its horticulture output to 700 million tonnes by 2047 to meet the demand of Viksit Bharat, according to Tusar Kanti Behera, Director of the Indian Institute of Horticulture Research. The country currently produces 350 million tonnes of produce, including fruits, vegetables, and spices. To meet this demand, the ICAR-IIHR plans to develop new high-yielding and climate-resilient varieties using technologies like genome editing and precision farming. (*BusinessLine*)

### **Farmers' share in rabi crop consumer prices ranged from 40-67%: RBI survey**

A pan-India RBI survey conducted between May and July 2024 revealed that farmers received 40-67% of consumer prices for major rabi crops, with higher shares for non-perishable crops. Wheat farmers benefited the most, securing 67% of retail prices due to public procurement, while rice farmers received 52%, maintaining a stable trend. About 25% of wheat farmers sold their produce under the government's procurement system, ensuring price stability. The 67% share for wheat aligns with existing literature, which estimates farmers' share in consumer prices between 53-74%, according to the survey report. (*Indian Express*)

### **Rural India spending more time on education than urban India: Survey**

The 2024 decline in learning time across urban and rural areas is a concern due to structural shifts in education and workforce participation. Factors include post-pandemic changes, urban youth's increased work commitments, and improved rural educational access. The narrowing gender gap is a positive sign, but it's unclear if it's due to better opportunities for women or declining male participation. Further examination of public finance policies is needed for long-term learning engagement. *(Business Standard)*

### **Retail inflation eases to 4.61% for farm workers, 4.73% for rural labourers**

Retail inflation for farm and rural workers eased to 4.61% and 4.73% in January 2025 from 5.01% and 5.05% in December 2024, as per government data. The All-India Consumer Price Index for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) dropped by 4 and 3 points, reaching 1,316 and 1,328, respectively. Year-on-year, inflation saw a sharp decline from 7.52% (CPI-AL) and 7.37% (CPI-RL) in January 2024. The food index also fell, with CPI-AL decreasing from 1,262 in December to 1,255 in January, and CPI-RL from 1,269 to 1,261. *(Business Standard)*

### **Wheat prices ease on higher offerings in FCI sale**

Wheat prices in India's Food Corporation of India (FCI) e-auction eased due to an increased offer of 5 lakh tonnes, up from 4 lt in the previous round. 63% of the additional 1 lt was allocated to key wheat-producing states, while the top 10 states accounted for 80.6% of the increased quantity. FCI sold 4.98 lt out of the 5 lt offered. Despite full offtake in Punjab and Uttar Pradesh, prices softened in Uttar Pradesh and Punjab. Weather conditions and crop estimates will influence open market prices. *(BusinessLine)*

### **High tariffs on farm goods breed inefficiency: Study**

Higher import tariffs breed inefficiencies and expose India agricultural products exports to reciprocal tariffs by the United States, a study by ICRIER said on Thursday. "If the US enforces tit for tat tariffs, Indian agriculture will face challenges at three levels – country-level, product-level competitiveness loss, and increased non-tariff barriers," a paper titled 'Trump's tariff threat: likely impact on India's agriculture trade,' by ICRIER has stated. *(Financial Express)*



## **Industry, Manufacturing, Services and Technology**

### **Difficult to monetise gaming in India**

Krafton has invested in Cashfree Payments due to its focus on India's digital ecosystem, particularly in content distribution and delivery. The company, which falls outside Krafton's traditional sectors, aims to provide seamless services to merchants, addressing the challenges of complex payments through India's Unified Payments Interface (UPI). Krafton also seeks to collaborate with Cashfree directly to further enhance its services and support the digital economy. *(Business Standard)*

## **Indian tech industry revenue projected to grow 5.1% even as job loss concerns persist**

About 55% CEOs surveyed expected hiring to plateau or reduce in FY26; some CEOs sought to approach changes brought in by AI with “paranoia”, stressing this would ensure competitiveness. Amid concerns over jobs shrinking due to the impact of Artificial Intelligence (AI), the National Association of Software Services Companies (NASSCOM) has projected the Indian technology industry’s revenue growth at 5.1% to \$282.6 billion in FY 2025-26. *(The Hindu)*

## **AI Data Cities: India’s Launchpad to Win the Global AI Race, potentially adding \$6.8 Trillion to India’s GDP and 39 million Jobs by 2047**

The report introduces the concept of ‘AI Data Cities’ to create specialised geographical zones to deploy the large-scale digital infrastructure required to power India’s AI future: high-capacity data centers, internationally connected subsea cables, fiber networks, and scaled green power. These hubs will power AI innovation by attracting investment, fostering research, cultivating talent, and creating a dynamic ecosystem for AI development. *(The Print)*

## **I&B Ministry plans new laws to regulate digital content**

Parliamentary panel’s questions and Supreme Court’s observation in Allahbadia case lead to the thinking for a new legal framework in the government; Ministry recently issued advisory to OTTs. The Information and Broadcasting Ministry is examining the existing statutory provisions and the need for a new legal framework to regulate “harmful” content on digital platforms, indicating the government’s move to sharpen its vigilance over them following an outcry over Ranveer Allahbadia’s comments on a YouTube programme. *(The Hindu)*

## **At 84, India recorded second-most internet shutdowns in 2024**

India saw a reduction in the number of internet shutdowns to 84 in 2024 but came second to Myanmar (85), a report by advocacy body Access Now said on Monday. In total, 296 shutdowns took place across 54 countries during the year. *(BusinessLine)*

## **India’s IT sector: Stuck in the service lane**

As the US, China, and even smaller nations push ahead in deep tech, India remains trapped in outsourcing and human resources supply game. India’s IT industry looks content being the world’s back office while the real tech giants chase the future through world-class software products, AI breakthroughs, and deep-tech start-ups. *(BusinessLine)*

## **Auto PLI to remain in slow lane in FY26**

India’s production-linked incentive (PLI) scheme for automobiles and components (PLI-Auto), announced in 2021, has yet to gain traction. The government expects incentives to make up only 12% of the overall ₹2,818.85 crore allotted to the scheme for FY26. This means that the scheme’s disbursements will be only a small share of the funds allocated, making it the second year the scheme’s disbursements will be only a small share of the funds allocated. *(Mint)*

## **IndiaAI Datasets to allow data access on case-by-case basis; registration needed**

IndiaAI is set to launch the IndiaAI Datasets platform, which will grant access to sensitive data on a case-by-case basis to companies or developers. The platform will house

anonymous, non-personal data for AI model training, but companies must register and request specific datasets. The platform will house anonymous and non-personal data. [\(Financial Express\)](#)

### **The entire game in retail is to constantly evolve & change: Trent MD**

P Venkatesalu, managing director at Trent, which runs Westside, Zudio and Star Bazaar, believes the retail business is about constant change and staying relevant to the consumer. Venkatesulu, 47, who has been with Tata Group for over two decades and was elevated to the MD's post in 2024, talks to Viveat Susan Pinto about how the retail company is navigating the consumer slowdown, competition from fast-fashion brand Shein, and Trent's bet on categories beyond food and fashion. [\(Financial Express\)](#)



## **News on Kerala**

### **Kerala attracts ₹1.52 lakh crore investment proposals**

The two-day Invest Kerala Global Summit concluded here on Saturday with the State government securing Expression of Interests for ₹1,52,905 crore in investments from 374 companies, including 25 Information Technology firms, who will invest ₹8,500 crore in new establishments and expansion, generating 60,000 jobs. Industries Minister P. Rajeeve, who announced the quantum of potential investments, said the figures were realistic and that the Invest Kerala Global Summit marked a major landmark in a journey to turn Kerala into an investor-friendly destination. [\(The Hindu\)](#)

### **Vizhinjam vies for global stature**

Kerala's Vizhinjam International Seaport is gaining attention as a logistics and transshipment hub for economic transformation. At the Vizhinjam Conclave 2025, Adani Ports & SEZ and the Kerala government outlined a roadmap to position the port as a cornerstone of India's maritime trade. With a natural depth of 18-20m and proximity to international shipping routes, Vizhinjam can handle large mother vessels, enhancing transshipment efficiency. [\(BusinessLine\)](#)

### **Kerala wants to grow into \$1 trillion economy. Its business community has a list of steps govt can take**

Kerala, aiming to grow to a trillion-dollar economy, faces a challenge from its constantly migrating population. Industry leaders suggest that the state needs to reintroduce its young population to achieve this goal by 2047. They suggest focusing on a sector-specific approach in investments and human resource building to achieve this goal. The session was held at the Invest Kerala Global Summit. [\(ThePrint\)](#)

### **UAE eyes investment in tourism, healthcare sectors in Kerala: Minister**

In a sign of strengthening ties between India and the United Arab Emirates (UAE), the West Asian country has said that it is looking for investment opportunities in key sectors such as healthcare, tourism, food processing, and technology in Kerala. [Abdulla bin Touq](#)

Al Marri, UAE minister of economy, said on Saturday that the economic partnership between the two nations has witnessed remarkable growth over the years. He was in Kerala to attend the Invest Kerala Global Summit (IKGS). *(Business Standard)*

### **UAE-based Sharaf group announces Rs 5,000 cr investment in Kerala**

UAE-based Sharaf Group announced a Rs 5,000 crore investment in Kerala over the next five years, citing the state's conducive business environment and talented workforce. The investment will focus on two dry ports and create numerous job opportunities, further boosting the region's economic growth. *(The Economic Times)*

### **40% of State's jobs may turn redundant in 5 years: KASE CEO**

Kerala's labour sector is facing a significant challenge, with nearly 40% of existing jobs expected to be redundant within five years, according to Vinod T.V., Chief Operating Officer of the Kerala Academy for Skills Excellence (KASE), State Skill Development Mission and State Skill Secretariat. The redundancy is particularly severe in sectors employing the largest workforce after the government, and unless the affected workforce is reskilled and redeployed, the state's Labour Force Participation Rate (LFPR) will suffer, with sustainable and gainful employment losses already a reality.

*(The Hindu)*

### **79 roads set to be renovated under Sabarimala package**

The Public Works department has issued administrative sanction to repair and renovate 79 roads in various districts by placing them under the Sabarimala package. In total, 386 km of road will be repaired and renovated at an expense of ₹356.97 crore. Of this, ₹326.97 crore will be spent on 67 roads using the project allocation, and ₹30 crore on 12 roads under the non-project category. *(The Hindu)*

### **UAE eyes investment in tourism, healthcare sectors in Kerala: Minister**

In a sign of strengthening ties between India and the United Arab Emirates (UAE), the West Asian country has said that it is looking for investment opportunities in key sectors such as healthcare, tourism, food processing, and technology in Kerala. Abdulla bin Touq Al Marri, UAE minister of economy, said on Saturday that the economic partnership between the two nations has witnessed remarkable growth over the years. He was in Kerala to attend the Invest Kerala Global Summit (IKGS). *(Business Standard)*

### **Brigade Enterprises to invest Rs 1,500 crore in Kerala for expansion**

Brigade Enterprises plans to invest Rs 1,500 crore in Kerala, aiming to create 12,000 new jobs over the next five years. The company submitted an expression of interest at the Invest Kerala Global Summit 2025 and plans to establish its second World Trade Center in the state. Brigade also plans to expand its presence in Kerala with a residential project in Kochi and a luxury island resort in Vaikom. *(Business Standard)*

