



Public Finance

Centre set to convert AP's ₹15,000 cr loan from multilateral agencies into grant

Extending a helping hand to Andhra Pradesh, the Centre is poised to convert a ₹15,000 crore loan extended by multilateral agencies for the Greenfield Capital at Amaravati into grant for the State. "The conversion of the loan into a grant is almost final, as it is not being reflected as borrowings of Andhra Pradesh under Externally Aided Projects (EAP) from the World Bank and Asian Development Bank. According to the note submitted by the State Government to the 16th Finance Commission recently, loans secured for the Capital so far amount to ₹31,000 crore, comprising ₹15,000 crore from the World Bank and ADB, ₹11,000 crore from HUDCO, and ₹5,000 crore from German State-owned bank KfW. (*BusinessLine*)

State govts must provide adequate funds to Science & Tech Councils: NITI Report

State governments should provide adequate financial resources to Science & Technology (S&T) Councils, and slightly restructure their governing bodies to drive innovation and technology-led growth, NITI Aayog said on Thursday. In a report titled 'A Roadmap for Strengthening State S&T Council', the Aayog said that these councils must explore wider funding opportunities available with different departments of the central government for activities related to the overall mandate. (*BusinessLine*)

Maharashtra govt passes bill allowing SRA to recover pending transit dues

The Maharashtra Assembly passed a bill amending the Slum Area (Improvement, Clearance and Redevelopment) Act, 1971, on Wednesday, which allows the Slum Rehabilitation Authority (SRA) to recover pending transit rent dues from builders or developers. The amendment bill seeks to treat unpaid rent to slum dwellers as arrears of land revenue, thereby empowering the SRA to initiate recovery proceedings under the Maharashtra Land Revenue Code (MLRC). As per the proposed amendment, if a defaulting builder lacks sufficient company assets to clear the dues, the liability can extend to the personal property of its directors or partners. (*Business Standard*)

State govt. considering stamp duty reduction for women in property registrations: Ponguleti

Revenue Minister Ponguleti Srinivas Reddy directed the officials to revise land prices in line with actual market trends but without burdening the middle class. He also called for a scientific and evidence-based approach in identifying areas where adjustments are necessary and urged that the process be handled in a transparent manner to avoid criticism. He held a high-level meeting at the Secretariat with officials including V. Seshadri, Principal Secretary to the Chief Minister; D.S. Lokesh Kumar, Revenue Secretary; Rajiv Gandhi Hanumanthu, Special Secretary, Stamps & Registration; and

Vemula Srinivas, OSD to the Chief Minister. The government also wants to introduce a new stamp policy through the Telangana Amendment Bill-2025 for a more transparent and citizen-friendly property registration system to modernise the State's approach to land transactions. (*The Hindu*)

All government payments above Rs 75 crore must go via RBI's e-Kuber from July 16

Central government departments and ministries will be required to process all payments above ₹75 crore from July 16, including to private parties, through the Reserve Bank of India's e-Kuber system, according to a directive sent out by the Department of Expenditure on July 1. The central government is mandating that departments and ministries process payments above ₹75 crore through the RBI's e-Kuber system starting July 16, aiming to enhance transparency and expedite fund reconciliation. This initiative seeks to minimize reconciliation delays, potentially providing real-time expenditure data and improving payment tracking to vendors and contractors. (*The Economic Times*)



Taxation

Finance ministry extends NPS tax benefits to new Unified Pension Scheme

The Finance Ministry has stated today that all tax benefits available under the National Pension System (NPS) will also apply to the Unified Pension Scheme (UPS). This marks a significant move that will make UPS more attractive for central government employees. In a bid to provide further impetus to the UPS, the Government has decided that tax benefits as available under NPS shall apply mutatis mutandis to UPS as it is an option under NPS,"the Finance Ministry said. This means that tax benefits that are currently provided to Central Government employees under the NPS will also be available under the UPS though necessary adjustments in tax rules will be made to fit the context of the UPS. (*Business Standard*)

TaxAssist: Tax dept's AI tool 'not meant' for resolving political donation disputes

The Income-Tax Department's new AI-powered tool will help individual taxpayers, but for disputes relating to political donations or other such complex issues professional advice is irreplaceable, experts have said. TaxAssist is useful in responding to tax notices and correcting errors in returns in "simple cases". Political donations are a sensitive matter and undergo scrutiny to ensure transparency and prevent misuse of tax benefits. "The Income-Tax Department flags political donations to check for fraudulent claims and verify that they are not made using unaccounted money," said Surajkumar Shetty, partner at JSA Advocates and Solicitors. (*Business Standard*)

Only Odisha clocks over 14% annual growth in the first 8 years of GST

As GST completed eight years since its nation-wide launch on July 1, it makes sense to look at how States have fared in GST collection. Odisha has recorded the highest growth in collections between FY19 and FY25. Data from the GST portal show Odisha's collections grew 126.1 per cent since FY19, the first full year since the launch of GST, reaching ₹60,928 crore in FY25. It has clocked a compound annual growth rate (CAGR) of 14.6 per cent, between FY19 and FY25; the only State to beat the 14 per cent target set out in the compensation cess formula laid out at inception. (*BusinessLine*)

Uttar Pradesh govt mops up nearly ₹27,858 crore tax revenue in Q1 FY26

The Uttar Pradesh (UP) government has collected tax revenue of about ₹27,858 crore in the April-June quarter of 2025-26 (Q1FY26). The collection of ₹27,858 crore corresponds to 62.8 per cent of the tax revenue target set at ₹44,356 crore for the first quarter, according to UP Finance Minister Suresh Khanna. Of the total collection, the share of goods and services tax (GST) and value added tax (VAT) stood at ₹20,798 crore and ₹7,060 crore, respectively. In addition to it, the UP excise department collected ₹14,229 crore in revenue, reaching almost 99 per cent of the ₹14,400 crore target. *(Business Standard)*



National Accounts and State of the Economy

Need 10% nominal GDP growth a year to achieve Viksit Bharat goal: CII chief

India needs an average nominal GDP growth rate of 10 per cent annually to achieve the government's vision of Viksit Bharat by 2047, CII President Rajiv Memani said. Nominal GDP is the total value of goods and services produced in a country, measured using current market prices, without adjusting for inflation, unlike real GDP. "India would require an average about 10 per cent nominal growth to achieve the Viksit Bharat vision," Memani told PTI. *(Business Standard)*

India achieves 4000% growth in solar capacity; Calls for self-reliance in energy storage through R&D: Piyush Goyal

Union Minister of Commerce and Industry, Shri Piyush Goyal, while addressing the 11th India Energy Storage Week (IESW) 2025 noted the 4,000% increase in Indias installed solar capacity and stated that the countrys renewable energy capacity now stands at a robust 227 GW. He said India is likely the first G20 nation to have met its Nationally Determined Contributions (NDCs) under the Paris Agreement. Highlighting India's manufacturing progress in the last decade, Goyal said that the countrys solar photovoltaic module capacity has increased nearly 38-fold, while photovoltaic cell capacity has risen 21-fold. *(Business Standard)*

Future 'very strong' as India's consumption boosts travel: Tata Sons chief

Tata Sons Chairman N Chandrasekaran on Monday exuded confidence that the future looks "very strong and bright" as growing consumption in India will drive the growth of the travel sector, sharing his outlook at the Tata Group-owned Indian Hotels Company Limited's (IHCL) AGM. Addressing shareholders of IHCL, the country's biggest hospitality player, Chandrasekaran shared that the "intent is to achieve a total global footprint of 700 hotels by 2030 and double the revenues to cross ₹15,000 crore". *(Business Standard)*

GTRI warns against US GM farm imports, cites risk to India's agri exports

Economic think tank GTRI on Saturday cautioned that allowing genetically modified (GM) farm products from the US under the proposed trade pact would have implications for India as it may affect the country's agri exports to regions like the European Union. India and the US are negotiating an interim trade pact, which is expected to be announced before July 9. The Global Trade Research Initiative (GTRI) said that allowing the import of GM products such as soybean meal and distillers dried grains with solubles

(DDGS) for animal feed would affect India's agricultural exports to the European Union (EU), a key destination for Indian exporters. *(The Economic Times)*

US flags India's dairy import rules at WTO, calls them 'trade barriers'

The United States has once again raised concerns at the World Trade Organisation (WTO) over India's dairy import certification rules, calling them "unnecessary trade barriers" that limit access for American exporters, The Economic Times reported. India, the world's largest milk producer, requires a detailed veterinary health certificate for all milk and dairy imports. This certificate must confirm that the products are free from drugs, antibiotics, pesticides, and heavy metal residues. However, the US maintains that such measures should be grounded in science and not overly restrictive to trade. *(The Hindu)*

India looking at importing uranium from Namibia: Envoy ahead of PM's visit

Ahead of Prime Minister Narendra Modi's visit, India's High Commissioner to Namibia, Rahul Shrivastava, said that India is looking at importing uranium from the African country and mentioned that the recent oil and gas discoveries in Namibia are also an area of interest for New Delhi. *(Business Standard)*

India aims to import about 10% of its LPG from US starting 2026: Report

India plans to source about 10 per cent of its cooking gas imports from the US beginning in 2026 as part of a broader effort to boost energy purchases to narrow its trade gap with Washington, four industry refining sources familiar with the matter said. The world's third biggest oil importer and consumer relies heavily on West Asian producers of liquefied petroleum gas (LPG), with more than 90 per cent of its roughly 20.5 million metric tons of imports in 2024 coming from the region. *(Business Standard)*



Banking and Monetary Policy

Credit growth takes a beating in first quarter

Credit growth was muted for Indian banks in the June quarter, with private lenders reporting less than half the pace from the same period last year, according to proforma figures. Credit growth was muted for Indian banks in the June quarter, with private lenders reporting less than half the pace from the same period last year, according to proforma figures. *(The Economic Times)*

No penalty on minimum balance: 6 banks that have removed savings accounts balance requirement

These bank customers need not worry about maintaining minimum balance in a savings account. Recently, some of the major publicly listed banks in India have removed the compulsory practice of keeping an Average Monthly Balance (AMB) thus removing all penalties for underperformance. PNB and other banks such as Bank of Baroda, Bank of India, Indian Bank, Canara Bank, have removed the minimal balance criteria on the majority and in some cases all of their savings accounts. *(The Economic Times)*

Fund managers bet on bank, consumer stocks after RBI's rate cuts

Money managers are betting Indian banking and consumption stocks have further to run this year, benefiting from the central bank's aggressive policy rate cuts to lift economic growth. Asset managers, including BlackRock Inc., Aberdeen Group Plc and Smartsun Capital Pte. have started aligning portfolios on expectations rate cuts will boost bank profits by lowering what they have to pay on deposits, while consumer companies' earnings will improve as customers' take out loans and spend. The shift signals monetary policy is shaping to be the key driver of India's \$5.4 trillion equity market, which has struggled compared to some of its peers this year due to concerns over corporate earnings and rich valuations. *(The Economic Times)*

Public sector banks likely to remove minimum balance fines

Public sector banks are reconsidering the need for customers to maintain minimum balances in savings accounts, following discussions with the finance ministry over the declining share of current and savings accounts in total deposits, as per a TOI report. Canara Bank, Bank of Baroda, Punjab National Bank and Indian Bank have recently dropped this requirement, which means that customers who fail to maintain the minimum prescribed balance will not have to pay a penalty. In a recent meeting, finance ministry officials are understood to have questioned banks on the need to penalise customers who do not maintain minimum balance, the TOI report says.. The concern stemmed from the slowdown in low-cost current and savings account deposits. *(The Economic Times)*

RBI acts tough against cyber frauds, directs all banks to use DoT's FRI technology to protect bank customers

The Reserve Bank of India (RBI) has declared war on cyber fraud affecting bank customers in India. On June 30, 2025, the RBI directed all Scheduled Commercial Banks, Small Finance Banks, Payments Banks, and Co-operative Banks to incorporate the Financial Fraud Risk Indicator (FRI) developed by the Department of Telecommunications (DoT) into their systems. DoT developed this cyber security system known as FRI and rolled it out in May 2025. To give a brief overview of this technology, the FRI allows for the automated exchange of data and information between the banks and DoT's Digital Intelligence Platform (DIP). *(The Economic Times)*

Gross loan advances by Non-Banking Financial Companies have doubled over last four years says FM

Union Finance Minister Nirmala Sitharaman has highlighted that the loan recovery practices of Non-Banking Financial Companies (NBFCs) must be conducted in a fair, empathetic and respectful manner, as well as strictly aligning with the RBI's Fair Practices Code. FM stated this while addressing the NBFC Symposium 2025 in New Delhi. The Minister said that financial inclusion cannot be used as a pretext for financial exploitation. She added that lending should be based on the genuine needs and repayment capacity of customers. The Minister also underscored the need for NBFCs to integrate governance, risk management, and customer protection as part of their core beliefs and ethics. *(Business Standard)*

Banks flush with funds but reluctant to pursue aggressive lending

A few days back, a higher-rated PSU got a short term loan of ₹1,000 crore from a public sector lender at 6.10 per cent. While it is normal for better-rated entities to get a sweeter deal from lenders, this rate surprised many market observers as it would barely cover the bank's cost of funds. The reason for short term rates to fall this low is the huge

surplus liquidity in the banking system, that has averaged ₹3 trillion since the start of June, and even topped ₹4 trillion on some days. (*Business Standard*)

Banks expect RBI to double VRRR auction as liquidity stays surplus

Banks are expecting the Reserve Bank of India (RBI) to double the size of its variable rate reverse repo (VRRR) auction as liquidity in the banking system continues to stay at a surplus of around ₹3 trillion. On Wednesday, the RBI received bids worth ₹97,315 crore in its two-day VRRR auction, against the notified amount of ₹1 trillion. The central bank accepted the entire bid amount at a cutoff rate of 5.49 per cent, higher than the 5.47 per cent cutoff in the previous seven-day VRRR auction held on July 4, which had attracted bids worth ₹1.7 trillion. (*Business Standard*)

Govt banks step up efforts to bridge linguistic chasm with customers

State-owned banks are increasingly looking to hire officers proficient in the local language of a particular state, and train existing employees in local languages to enhance customer service, amid rising instances of inconvenience and linguistic barriers faced by consumers due to a lack of local language skills, particularly among branch staffers. Last week, state-owned Bank of Baroda (BoB) advertised that it is recruiting 2,500 'Local Bank Officers' across India, that includes 1,160 positions in Gujarat, 485 in Maharashtra, and 450 in Karnataka. (*Business Standard*)

Govt asks banks to close inactive accounts opened under PM Jan-Dhan Yojana

State-owned banks have been advised by the government to close inoperative accounts opened under the PM Jan-Dhan Yojana, amid rising instances of them being used as mule accounts, which are conduits to route or launder money obtained through fraud, according to people aware of the development. "If they (the accounts) are not being used, the guidance is not to keep them open because they could be misused," said a source familiar with the development. That said, banks are following due process to reactivate inoperative accounts by initiating re-KYC procedures. (*Business Standard*)

As core income remains muted, banks tap corporates to grow fee income

As core income growth of banks continued to stay muted in low-single digit in Q4FY25, lenders are increasingly eyeing providing full stack of value-added services to boost 'other income', according to senior bankers. "We have set up a cell in our head office led by a GM for this. We are tying up with large firms and then tapping them for vendor and supply chain financing. We will do this activity in a big way," said Ashok Chandra, MD and CEO, Punjab National Bank. State Bank of India's net interest income (NII) rose 4% year-on-year to ₹1.66-lakh crore in FY25, whereas 'other income' was up 19% in FY25 at ₹61,683 crore. (*BusinessLine*)

RBI allows BCs to update KYC information

Reserve Bank of India (RBI) eased the Know Your Customer (KYC) norms for convenience of the customers, according to a circular released June 12. Banks shall complete the KYC updation of customers who are flagged as 'low risk' whose KYC have not been updated, within a year or June 2026, whichever is later. Moreover, the Central bank also introduced the facility to upload KYC through video. The facility is called Video based Customer Identification Process (V-CIP) for customer onboarding and information updation. The RBI also said banks shall enable its banking correspondents to undertake the KYC updation activity. These facilities shall be provided to reactivate inoperative accounts, RBI said in a separate circular. (*The Hindu*)

RBI reduces qualifying asset threshold for NBFC-MFIs

The Reserve Bank of India on Friday reduced the qualifying asset threshold for non-banking financial companies – microfinance institutions (NBFC-MFIs) to 60% from 75%, in a boost to the industry. Qualifying assets of NBFC-MFIs shall constitute a minimum of 60% of the total assets (netted off by intangible assets), on an ongoing basis. “If an NBFC-MFI fails to maintain the qualifying assets as per the threshold for four consecutive quarters, it shall approach the Reserve Bank with a remediation plan for taking a view in the matter,” the RBI said in a notification. (*The Hindu*)



External Sector

Trump warns BRICS, including India, of extra 10% tariff for trying to ‘destroy’ US dollars: a major world war

US President Donald Trump on Tuesday claimed that the BRICS alliance was created with the intention to ‘hurt’ the United States and ‘degenerate’ the US dollar. He further warned that countries within the bloc could be hit with an additional 10% tariff. “And that's okay if they want to play that game, but I can play that game too. So anybody that's in BRICS (including India) is getting a 10% charge,” he said while speaking to reporters at the sixth Cabinet meeting at the White House, and added that this will be happening “pretty soon”. (*Mint*)

India aims to import 10% of cooking gas from US starting 2026: Sources

India plans to source about 10 per cent of its cooking gas imports from the US beginning in 2026 as part of a broader effort to boost energy purchases to narrow its trade gap with Washington, four industry sources familiar with the matter said. The world’s third biggest oil importer and consumer relies heavily on West Asian producers of liquefied petroleum gas (LPG), with more than 90 per cent of its roughly 20.5 million metric tonnes of imports in 2024 coming from the region. (*BusinessLine*)

India’s steel import juggernaut stalls; domestic prices now cheaper than Chinese shipments

India’s steel imports have finally hit the brakes. In a sharp reversal, inbound shipments slumped nearly 30 percent year-on-year to 1.4 million tonnes (mt) in the first quarter of FY26 - a direct fallout of stiff safeguard duties. Further, domestic steel has regained pricing edge over Chinese imports after months of being undercut. Prices of local steel eased to ₹50,000–50,700 per tonne, about 2-3 percent cheaper than the Chinese steel, breaking the stubborn trend of price disparity. Imports in Q1FY25-the year-ago period - were at 2 mt. The decline was sharper for benchmark HRC coils, nearly 30 percent, at 1 mt for April–June FY26 against 1.4 mt in the year-ago-period. Alloy and stainless steel offerings shipments came down to 0.4 mt, down 30 percent for the period under review. (*BusinessLine*)

Eggs rule firm on export demand, supply issues

Export demand, coupled with improving domestic off-take, is keeping egg prices firm. They are 10-15 percent higher in July compared with the same period a year ago, poultry stakeholders said. However, prices may ease in the days ahead with the start of the austere season. India recently exported 1 crore eggs to the US for the first time, which has supported the domestic prices. Exporters are keenly watching the developments on

the tariff front between the US and India. “We are waiting for the outcome, then we will know the impact,” Parameswaran said, adding that if there is a favourable impact, then Indian exporters could expect more orders from the US. The exports of eggs are taking place to countries such as the UAE, Qatar, Muscat, Maldives and the African countries, Parameswaran added. (*BusinessLine*)

Chinese techies' exit likely to hamper India's smartphone export success

Reports of China recalling its engineers from Foxconn's India plant have raised fears about its impact on the production and export capacity of made-in-India smartphones. This comes after Beijing asked authorities to curb the transfer of technology and technicians to other countries in a bid to prevent firms from shifting their manufacturing base out of China. India's smartphone exports had touched \$24.13 billion in FY25 — 55 per cent higher than FY24. In terms of volume, 26 per cent of smartphones in the US had India as their country of origin in the first quarter of CY2025, up from 16 per cent last year. India's share in US' smartphone imports rose from 1.77 per cent in 2022 to 13.58 per cent in 2024. Its share surged to 37.32 per cent in first four months of 2025. (*Business Standard*)

India misses marine export target by over ₹37,000 crore under PMMSY

India marine exports have fallen short of the ambitious target of exporting products worth Rs 1 lakh crore under the flagship Pradhan Mantri Matsya Sampada Yojana (PMMSY) by FY25. The shortfall is due to global economic slowdown, compliance issues, infrastructure bottlenecks, policy gaps, and a lack of product diversification, experts said. In FY25, the total value of marine products exports stood at Rs 62,625.09 crore, according to government data, falling short of the target by Rs 37,374.91 crore. (*Business Standard*)

CBIC may free up importers' IGST credits to address payment issues

In a bid to facilitate importers who may have underpaid Integrated Goods and Services Tax (IGST) dues, the Central Board of Indirect Taxes and Customs (CBIC) is likely to issue a standard operating procedure (SOP) to enable them to claim input tax credit (ITC) on IGST payments made to rectify shortfalls flagged after Customs clearance. This new protocol for GST field formations could potentially unlock several hundreds of crores worth of input tax credits of importers that are currently stuck, straining their working capital flows, two government officials aware of the development told Business Standard. (*Business Standard*)

India revises proposed retaliatory duties against US over steel, aluminium tariffs in WTO

India has adjusted its plan for retaliatory tariffs on the US due to increased duties on steel and aluminium. The WTO received India's request to modify tariffs on American goods. This action follows the US raising tariffs to 50 per cent. India's move aims to collect equivalent duties from US products. (*The Economic Times*)

Indian trade delegation to visit Washington as India-US trade talks enter final stage: Govt Sources

An Indian commerce ministry team is preparing to visit Washington for further discussions with the US regarding a proposed trade pact. Negotiations will cover both interim measures and the initial phase of the bilateral trade agreement. While the exact dates are pending finalization, sources suggest the visit will occur next week. (*The Economic Times*)

US may impose lower tariffs on India as compared to other Asia-Pacific countries: Report

India may gain from the US tariff policy. Washington might impose lower tariffs on India than other Asia-Pacific nations. This could attract foreign investment and boost India's manufacturing. Trade deals with the UK and EU could further strengthen India's position. However, US efforts to bring back manufacturing may limit India's gains. New US tariffs target various countries with different rates. (*The Economic Times*)



Agriculture and Rural Economy

Bear grip tightens in global rice market as FAO all rice index falls to near 5-year low

The global rice market remains bearish, with the Food and Agriculture Organisation's (FAO) all rice price index near a five-year low. The bear grip on the market is firm as prices of Thailand's 5 per cent broken white rice have dropped below \$400 a tonne. Global agencies, such as the FAO and the US Department of Agriculture (USDA), besides research agency BMI, a unit of Fitch Solutions, are projecting rice production in the 2025-26 season at a new record, driven by favourable weather conditions. "(Global) production in 2024-25 and 2025-26 upgraded, largely on higher output expectations for India in both seasons. Forecasts were also raised for Bangladesh, Pakistan and Vietnam, offsetting downgrades, namely for Iraq and the US," the FAO's Agricultural Market Information System (AMIS) said. (*BusinessLine*)

40% of normal area under India's kharif sowing complete

The overall sowing in the current kharif season in India has been completed in 40 percent of the normal 1,097 lakh hectares (lh) area as of July 4. Official data released on Monday showed that about 180 lh area had been covered with a maximum of 60 lh under oilseeds in the week-ended July 4. As the rainfall has been good so far, the pace of sowing may further rise further. According to Agriculture Ministry data, as much as 437.43 lh have been planted under different crops in the ongoing kharif season until July 4, up 11.1 percent from 393.77 lh a year ago. The area coverage under arhar (pigeon peas), maize, ragi, other small millets, niger, castor, jute and mesta is lower from last year, whereas all other crops have shown higher acreage. The area coverage under the kharif season's main cereal paddy has reached 69.3 lh from 64.52 lh a year ago, which is 7.4 percent higher while that of pulses has jumped 35.2 percent to 42.57 lh from 31.48 lh. (*BusinessLine*)

Kerala agri varsity to promote climate-resilient farm practices

In a major step towards building climate resilience in Kerala's agriculture sector, the Kerala Climate Resilient Agri Value Chain Modernization Project (KERA) and Kerala Agricultural University (KAU) have signed a Memorandum of Understanding (MoU) to jointly implement cutting-edge initiatives in climate-smart and low-emission farming practices. Under this collaboration, KERA and KAU will work together to develop and promote Climate-Resilient Agriculture (CRA) practices across Kerala's diverse agro-ecological zones. The partnership aims to upgrade soil testing laboratories,

modernize advisory systems, and pilot low-carbon paddy cultivation techniques such as Alternate Wetting and Drying (AWD) in priority districts. (*BusinessLine*)

Soybean oil has outperformed gold, silver and copper so far this year

Soybean oil prices have surged over 30 percent so far this year, outperforming gold, silver and copper. This increase is largely due to the US Environmental Protection Agency's (EPA) proposed Renewable Fuel Standard (RFS) volume targets for 2026 and 2027. Only cobalt (37 per cent) has gained more than soybean oil, but its rise has mainly been due to an export ban imposed by the Democratic Republic of Congo from February. While soybean oil has increased, soybean meal prices have dropped by nearly 14 per cent since January 2025. (*BusinessLine*)

Bengal paddy output this crop year may exceed last year's bumper crop

West Bengal expects total paddy production for this crop year (July 2025-June 2026) to exceed last year's bumper production of 256 lakh tonnes. Total paddy production in Bengal, India's largest rice-producing State, was a record high in 2024-25. The West Bengal government has set a target of sowing on 42 lakh hectares (lh) for the 2025-26 kharif (summer) season against 41.5 lh for the 2024-25 season. "Farmers in our State have sown paddy across around 3 lh so far in the ongoing kharif season. We are very confident that we will be able to achieve 100 percent of the sowing target area. The State is getting early rain this time. I think the sowing will be completed by July-end this time," Pradip Mazumdar, Minister of Panchayat and Rural Development, told businessline. In West Bengal, sowing for kharif paddy can extend up to mid-September. Sowing in the State normally starts from June-end. (*BusinessLine*)

Raise maize yield sans GM tech, says Chouhan

Agriculture Minister Shivraj Singh Chouhan on Monday pledged to ensure that maize farmers receive a fair price for their produce. Emphasising the critical need for crop diversification in Punjab and Haryana, he stated that the government aims to expand maize cultivation, targeting a significant increase in production from the current 42.28 million tonnes (mt) to 86 mt by 2047. However, he made it clear that this productivity boost must occur without the use of genetic modification technology. Speaking at the annual maize summit, organised by industry chamber FICCI, Chouhan said achieving the 86 mt target by 2047 hinges on the development of high-yielding seed varieties with increased starch content. He urged scientists to prioritise this area of research. India, the world's fifth-largest maize producer, is committed to enhancing productivity while maintaining its stance against genetically modified (GM) seeds in food crops. This position has been consistent for the Minister. (*BusinessLine*)

Edible oil, sugar consumption fall as fitness campaigns catch on

The consumption of edible oil and sugar in the last two-three months has dipped due to factors including weather, prices and shifting preferences, according to industry players. The drop also coincides with a government campaign to reduce consumption of edible oil, sugar and salt. The campaign uses an appeal by Prime Minister Narendra Modi to cut the use of cooking oil to stay fit. In India, the per capita annual consumption of edible oil is 18 kg and that of sugar is around 20 kg, trade data show. Cooking oil imports, which have a direct correlation with domestic demand, in May had dropped 22 per cent to 11.78 lakh tonnes (lt) and in April, the fall was 32 per cent from a year-ago level. Similarly, industry sources said there was 1 lt sugar unsold in June from the government allocated 23 lt quota for the month, despite lower allocation against 25.5 lt year-ago.

Officials, however, said the final sales data for the month will be available only after July 20, based on the monthly details filed by the mills. (*BusinessLine*)



Industry, Manufacturing, Services and Technology

Govt seeks public input on draft order to regulate vegetable oil industry

The Union Food Ministry has drafted a new order to regulate vegetable oil products in India by introducing more modern, transparent, and technologically advanced regulatory provisions, with a stronger emphasis on stakeholder participation and adaptability to industry changes. The 2025 draft Vegetable Oil Products, Production and Availability (VOPPA) Regulation Order seeks to replace the 2011 order, and the ministry has sought public comments on the same by July 11. The 2025 draft order emphasises enhanced monitoring with increased surveillance of edible oil imports, production, stocks, and sales, likely using digital tools for better transparency and control. (*Business Standard*)

No impact of 50% copper tariffs on Indian companies, says industry

The proposed 50 per cent import tariff on copper announced by US President Donald Trump will not have any impact on Indian companies as the country is copper-deficient, according to an industry official. Also, Coal and Mines Minister G Kishan Reddy on Wednesday said India will discuss the impact of US tariffs on copper. International Copper Association India Managing Director Mayur Karmarkar said, "India is a copper-deficient country, and its export, as such, is not significant. Again, of the total exports, the shipments to the US are just around 10,000 tonnes." The proposed duty, as a result, will not have any impact on the Indian firms, particularly as the domestic demand is extremely buoyant, given India's thrust on renewable energy, EVs, and a host of other copper-intensive sectors, Karmarkar said. (*Business Standard*)

UP govt to acquire 13,240 acres for industrial clusters near expressways

Uttar Pradesh will acquire more than 13,240 acres along expressways for industrial clusters, in a bid to achieve its \$1 trillion economy goal. The land will be earmarked for industrial and logistics hubs in the vicinity of five expressways: Bundelkhand, Ganga (under construction), Gorakhpur Link, Agra-Lucknow, and Purvanchal Expressway. The proposed Industrial Manufacturing and Logistics Clusters (IMLCs) would be developed on both sides of these corridors. The state plans 27 industrial nodes across the 13,240 acres. "So far, the government has acquired almost 9,800 acres of the total 13,240 acres, while acquisition for the remaining parcels is fast underway," a senior official said. (*Business Standard*)

Auto component industry seeks national strategy on critical materials

Facing potential production losses due to a shortage of rare earth magnets, the auto component industry body ACMA on Tuesday sought a national strategy on critical materials to secure electric vehicle production in the country. Terming the rare earth shortages as a major concern, Automotive Component Manufacturers Association of India (ACMA) President Shradha Suri Marwah said that the industry is agile and has started to work on alternative solutions. "The limited availability of rare earth magnets remains a concern, underscoring the need for a national strategy on critical materials to

secure the future of EV and mobility manufacturing in India," she stated. (*Business Standard*)

Lithium ion battery recycling could be \$3.5bn industry by 2030

Recycling lithium ion batteries could spark an industry worth \$3.5 billion by 2030 with the right policy steps, as per a report released by the India Cellular and Electronics Association (ICEA) and Accenture. "India currently recycles only 1% of its end-of-life lithium-ion batteries into usable materials," ICEA said in a statement accompanying the report. "This low recovery rate signals an urgent environmental challenge and a major economic opportunity waiting to be unlocked. Recovering more end-of-life lithium ion batteries could feed back into India's growing demand for electric vehicles, consumer electronics and energy storage systems," it said. Electronics recycling in India is at present the preserve of a sprawling informal economy, focused on repairing and spare parts. Policies to push electronics makers to take more "extended responsibility" for their products years after they are sold are yet to have a major impact. (*The Hindu*)

Auto component industry seeks national strategy on critical materials

Facing potential production losses on account of a shortage of rare earth magnets, auto component industry body ACMA sought a national strategy on critical materials to secure electric vehicle production in the country. Terming the rare earth magnet shortage a major concern, Automotive Component Manufacturers Association of India (ACMA) President Shradha Suri Marwah said the industry is agile and has started to work on alternative solutions. She noted the industry will have to become self-reliant to avoid the current situation where the sector is staring at a potential crisis with China putting a lid on the export of rare earth magnets. (*Business Standard*)

Fostering innovation from business models to DeepTech

Few months back, the Minister for Commerce and Industry Piyush Goyal sparked a debate by drawing comparisons between Indian startups and their Chinese counterparts. While his comments stirred some discontent within the startup ecosystem, they also raised a crucial point — India must now shift its gaze from surface-level innovation to DeepTech. If we look at our startup ecosystem journey so far, it has flourished largely on the back of business model innovation. From food delivery apps and e-commerce to fintech and gig economy platforms, startups have created new value by reimagining how services are delivered. While this has driven revenue and encouraged entrepreneurship, it's time to aim higher. As Mr. Goyal emphasised, the next frontier is DeepTech — technology grounded in scientific discovery, engineering excellence, and fundamental research. (*The Hindu*)

Scindia asks Cisco to tap India's digital tech

Union Minister Jyotiraditya Scindia on Tuesday urged Cisco, a Californian technology provider, to deepen its footprint in India's rapidly-evolving digital technology landscape. Mr. Scindia, the Minister for Communications and Development of the North Eastern Region, met Cisco CEO Chuck Robbins at Sanchar Bhawan in New Delhi. He urged Cisco to explore broader investment opportunities in India's digital technology sector, highlighting the country's emergence as a global hub for innovation, investment and a fast-growing market. "We look forward to doubling down on opportunities that we can jointly pursue and get technology in the hands of more and more people to ensure that we make it an inclusive future for all," Jeetu Patel, president and chief product officer, Cisco, said. (*The Hindu*)

Drone can boost India's manufacturing potential to \$23 bn by 2030: Report

Buoyed by rising demand from sectors like defence, agriculture, logistics, and infrastructure, the drone industry is expected to boost the country's manufacturing potential to \$23 billion by 2030, says a report. As drones emerge as a key component of modern warfare strategies, India's Operation Sindoor in the wake of the Pahalgam terror attack has marked a notable shift in the country's adoption of drones, the report by Nexgen said. The report, based on a survey of 150 companies from 15 cities, revealed that 40 per cent of drone companies believe that agriculture and precision farming are anticipated to drive the largest demand for drones in India by 2030, following the defence sector. Estimates suggest the global agricultural drones market size will reach \$5.89 billion by 2030. (*Business Standard*)



News on Kerala

Kerala's gender-inclusive tourism policy to support new entrants to sector: Tourism Minister

The government will go ahead with its action plan to support newcomers, especially women, to the tourism sector, aligning with the vision of inclusive and sustainable development of tourism, Tourism Minister P.A. Mohamed Riyas has said. He was delivering the inaugural address at the State-level consultation workshop organised to bring out Gender Inclusive and Women-Friendly Tourism Policy as part of the women-friendly tourism initiative in the State. The workshop was organised by the Tourism department in collaboration with the Kerala Responsible Tourism Mission Society and UN Women India. (*The Hindu*)

Kerala to draft women-friendly tourism policy

For the first time in the country, Kerala Tourism will soon introduce a gender-inclusive and women-friendly tourism policy. This is part of the efforts, launched in 2022 under the aegis of the Kerala Responsible Tourism Mission Society, to make the State a women-friendly destination. As part of the initiative, the State government will soon declare destinations such as Kanthalloor, Kumarakom, Perumpalam, Kadalundi, Kanakakkunnu Palace in Thiruvananthapuram, and Munnar, where a gender audit has been completed, women-friendly destinations, according to Tourism department sources. Efforts are also under way to declare another 14 destinations where the gender audit is in the final stages women-friendly by this year itself. (*The Hindu*)

20.8% of proposals at investor summit operational: Rajeeve

Eighty-six projects with a total investment of ₹31,429.15 crore which were promised at the Invest Kerala Global Summit in February this year have become operational till now, Industries Minister P. Rajeeve said here on Friday. Speaking at a press conference on the progress of the projects for which Expression of Interests were received at the summit, he said that out of the 424 projects with a total investment of ₹1.77 lakh crore, work on 20.8% has begun. According to Mr. Rajeeve, on the completion of the 86 projects, 40,439 jobs are expected to be created. Out of the remaining projects which are yet to be started, 268 have already got the required land while 156 are yet to get land. Among those which got land, a total of 29 projects require land conversions or various exemptions to go ahead with their work. Speaking further on the plans for the months ahead, he said that

projects worth ₹1,500 crore will begin operations in July, while projects worth ₹1,437 crore are expected to begin in August. A total of ₹1,011 crore investment projects have come across all the eight Kerala Industrial Infrastructure Development Corporation (Kinfra) parks. *(The Hindu)*

Anert installs decentralised solar-powered grid-interactive energy storage system

The Agency for New and Renewable Energy Research and Technology (Anert) has installed Kerala's first decentralised solar-powered grid-interactive Battery Energy Storage System (BESS) at its headquarters at PMG here. The system can power up to loads of 100 kW and has a battery bank of 150 KWh, enabling continuous operation of one-and-a-half hours on full load in the absence of solar power or supply from the grid. Electricity Minister K. Krishnankutty inaugurated BESS along with a demonstration project on Vehicle-to-Grid (V2G) technology here on Friday. BESS consists of a prefabricated module structure with systems for power supply and distribution, monitoring and control, environmental control, fire protection system, in addition to a dedicated Battery Management System (BMS) and Energy Management System (EMS). *(The Hindu)*

Kerala ranks fourth in NITI Aayog's health index

Kerala's public healthcare system has often been a hot topic in development debates across the country and even abroad, and for good reason. However, despite topping in five of the 11 indicators, the state has now been ranked fourth in the NITI Aayog's 'good health and wellbeing index'. Reason: Unscientific thinking against immunisation and institutional deliveries gaining ground in the state, as well as inclusion of three new parameters. Gujarat now holds the top spot in the ranking. NITI Aayog's SDG India Index computes goal-wise scores on 17 sustainable development goals (SDGs) for states and union territories (UTs), besides a composite index. *(The new Indian Express)*

Kerala expands boat race season to boost backwater tourism

In a major push to promote Kerala's famed backwaters and attract more international tourists, the number of traditional boat race events in the state is set to more than double this year. For the first time, 14 events will be held as part of the annual boat race season. As part of the expansion plan, for the first time, the state tourism department is set to bring in a private event management company to professionally brand and market the Champions Boat League (CBL), which was launched four years ago. The initiative is part of a broader plan of the tourism department to brand and market Kerala's famed snake boat races at the national and international levels as a major tourist attraction. According to official sources, there is a huge cost involved in the conduct of the event and each event requires around Rs 1.5 crore including the prize money. Last year's league featured nine teams competing across six venues with a total prize pool of Rs 3.2 crore. *(The new Indian Express)*

GULATI INSTITUTE OF FINANCE AND TAXATION
GIFT Campus, Chavadamukku,
Sreekariyam, Thiruvananthapuram, Kerala - 695017
Phone : 0471 2596970, 2596980, 2590880, 2593960
Fax : 0471 2591490
Email : giftkerala@gmail.com



An Autonomous Institution of Government of Kerala

Disclaimer: This compilation on important news items relating to Finance, Taxation and Indian economy by GIFT from various newspapers and e-resources aims at providing an update to our esteemed readers. GIFT does not guarantee the accuracy or validity of the information provided. It is not a commercial product and all the copyrights remain with those of the respective copyright holders. Images are sourced from the web.