



## Public Finance

### **Govt seeks inputs from states, central ministries on 8th pay commission**

The government has sought inputs from major stakeholders, including the Defence and Home ministries, the Department of Personnel and Training, as well as states, on setting up the 8th Central Pay Commission, Parliament was informed on Monday. In January, the Cabinet approved setting up the 8th Pay Commission to revise salaries of nearly 50 lakh central government employees and allowances of about 65 lakh pensioners. (*Business Standard*)

### **PSU dividends to Centre almost double since 2020; over 40% comes from five fuel PSUs**

Over the past five years, the Centre has nearly doubled the dividends it has received from public sector undertakings (PSUs) to ₹74,000 crore, with an analysis by The Hindu showing it relies heavily on a few oil, gas, and coal companies for a large chunk of these dividends. The analysis excluded dividends from the Reserve Bank of India and the nationalised banks. (*The Hindu*)

### **Some states stick to off-budget loans: Centre**

Even though the Centre discontinued off-budget borrowings since 2022-23 to bring transparency to budget-making, some state governments aren't following the path. States raised Rs 29,336 crore in FY25 via off-budget means, indicating their continued reliance on off-balance sheet liabilities to fund programmes, minister of state for finance Pankaj Chaudhary told Rajya Sabha on Tuesday. Before curbing the states' off-budget borrowings, the Centre drastically cut back such loans from Rs 1.21 lakh crore in FY21 to just Rs 752 crore in FY22, before completely stopping such liabilities. (*Financial Express*)

### **Govt does not foresee revenue shortfall, aims to achieve deficit target**

The Central government does not foresee any revenue shortfall at this stage and aims to achieve the targets fixed in the Budget Estimates for 2025-26, Minister of State for Finance Pankaj Chaudhary informed Parliament on Tuesday. As per the Budget, the Centre has estimated the fiscal deficit for 2025-26 at 4.4 per cent of GDP, amounting to Rs 15.69 lakh crore. In a written reply in the Rajya Sabha, the minister said the Central government supports state finances through Finance Commission grants, Centrally Sponsored Schemes, and Special Assistance as loans to states for capital expenditure. (*Business Standard*)

## **Capex back at front & centre of govt's policy play as private sector watches from sidelines**

The Indian government is closely monitoring its capital expenditure (capex) as private investment remains sluggish, a trend exacerbated by global uncertainties linked to US tariffs. In the first two months of the fiscal year, the Centre has recorded a notable increase in spending, with 20% of its annual allocation utilised, compared to only 13% during the same period last year, ToI reported on July 21 citing official data. Over the past five years, the government's capital expenditure has served as a crucial policy instrument aimed at stimulating economic growth. The rationale is that increased public spending will create demand for goods and services, leading to job creation and encouraging private investment. *(The Economic Times)*

## **Debt sustainability was positive in FY23: CAG**

India's debt sustainability turned positive in FY23, says CAG. The Debt-GDP ratio eased to 57.93% while public debt repayments improved, signaling fiscal stability. However, interest payments rose slightly. The government targets further consolidation under the FRBM framework. Public debt repayment to public debt receipts was 89.75% in 2018-19 but improved in 2022-23, and the debt repaid was 81.22% of the debt acquired during the year, freeing up borrowings for productive expenditure, it said. *(Financial Express)*

## **India's external debt liabilities lower than peers'; short-term rollover risks are limited: IMF**

The International Monetary Fund (IMF) on Tuesday said that short-term rollover risk of external debt for India is limited. It has referred to India's external position for fiscal year 2024-25 as 'moderately stronger' than the level implied by medium-term fundamentals and desirable policies. According to the report, with buoyant services exports and declining oil prices, the current account deficit (CAD) is projected to remain smaller than its estimated norm. "Despite recent steps toward opening, India's trade and capital account regimes remain relatively restricted, weighing on both exports and imports," it said. *(BusinessLine)*

## **Finance Commission must focus on strengthening local bodies: Raghuram Rajan**

Former Reserve Bank of India Governor Raghuram Rajan on Wednesday said the 16th Finance Commission should focus on handing over more funds to local bodies, including municipalities and panchayats, to empower them to address issues affecting the people more effectively. The Finance Commission, established under the Indian Constitution, plays an important role in improving the financial health of municipalities. The commission evaluates the fiscal condition of municipalities and advises state governments on various aspects of fiscal decentralisation. *(Business Standard)*



### **Bombay HC asks GST Council, GSTN to enable inter-State transfer of unutilised ITC in mergers, amalgamations**

The Bombay High Court has urged the GST Council and the GST Network (GSTN) to provide for a regular mechanism for transfer of unutilised input tax credit (ITC) from the electronic credit ledger of a transferor company to a transferee company in another State after merger or amalgamation. “We permit the IGST (Integrated Goods & Services Tax) and CGST (Central Goods & Services Tax) amount lying in the electronic credit ledger of the transferor company to be transferred to the petitioner company by physical mode for the time being, subject to the adjustments to be made in future. *(BusinessLine)*

### **‘NUDGE aided by AI, digital tools yielding significant results in income-tax compliance’**

The strategy of using ‘Non-intrusive Usage of Data to Guide and Enable taxpayers’ or NUDGE has yielded significant results with over 30 taxpayers declaring foreign assets, false claim of deduction of around ₹1,000 crore to political parties reducing and more and more people updating their returns, said Ravi Agrawal, Chairman of the Central Board of Direct Taxes. On the occasion of the Income Tax Day on July 24, he assured assesseees that experience of return filing this year would be much better. *(BusinessLine)*

### **Income Tax dept working on rules for new direct tax law: CBDT chief**

The Central Board of Direct Taxes (CBDT) chief on Thursday said that the Income Tax department has begun drafting rules, forms and procedures for the Income Tax Bill, 2025, PTI reported. The bill, which seeks to replace the current income tax law, was tabled in Parliament in February and reviewed by a parliamentary panel that submitted its report to Parliament on 21 July, the report added. *(Business Standard)*

### **Govt forgone ₹99K cr in FY24 due to corporate tax incentives: MoS Finance**

The government is estimated to have forgone around Rs 99,000 crore in revenue in the 2023-24 fiscal on account of tax incentives extended to corporates, Minister of State for Finance Pankaj Chaudhary said on Tuesday. Corporate tax rates have been gradually reduced since 2016 while phasing out the exemptions and incentives. *(Business Standard)*

### **GST officers detect ₹15,851 crore fraudulent ITC claims in April-June**

GST officers have uncovered fake input tax credit (ITC) claims of ₹15,851 crore in the April-June quarter of the current financial year, a 29 per cent jump over the year-ago period, even though the number of fake firms detection was less Y-o-Y, officials said. The total number of fake firms detected by central and state GST officers during the first quarter of FY26 stood at 3,558, less than 3,840 such entities detected in the same quarter of FY25. *(Business Standard)*



## National Accounts and State of the Economy

### **Redeeming India's nuclear power promise**

To become a developed country by 2047, India's annual per capita income needs to grow from the current \$2,800 to \$22,000, and correspondingly, the GDP needs to grow from the current \$4 trillion to over \$35 trillion. There is a well-established correlation between economic growth and energy consumption. In 2022, India's per capita electricity consumption stood at 1,208 kWh, compared to 4,600 kWh for China, and over 12,500 kWh for the U.S. (*The Hindu*)

### **Draft telecom policy targets 1 mn jobs, ₹1 trn investment a year by 2030**

The government aims to double annual investment in the telecommunications sector to ₹1 trillion, increase exports of telecom products, services, and startups by twofold, and create 1 million new jobs by 2030, according to the draft National Telecom Policy (NTP) 2025. The draft policy, released on Thursday, has invited stakeholder comments within the next 21 days. (*Business Standard*)

### **New national cooperative policy aims to cover 500 million people**

The new National Cooperative Policy, the first since 2002, which calls for creating a task force to bring 500 million people under the ambit of cooperatives, up from the 300 million. The policy, which seeks to triple the sector's contribution to the Indian economy over the next 10 years, also proposes raising the number of cooperative societies by 30 per cent from the current 830,000. (*Business Standard*)

### **Govt gets ₹16,000 cr investment proposals under electronic component scheme**

The government is learnt to have attracted investment proposals worth ₹16,000 crore under the Electronics Component Manufacturing Scheme, according to sources. The government had opened applications for the ₹22,805-crore electronics component manufacturing scheme (ECMS) on May 1. (*Business Standard*)

### **Uttar Pradesh govt seeks ₹10 trillion in investment to boost industry**

Invest UP, the state's investment promotion agency, has already lined up projects worth ₹5 trillion for the proposed ground breaking ceremony (GBC 5.0), and is hopeful that the basket will increase to ₹10 trillion by November. According to sources, more than 83,630 projects worth ₹4.33 trillion have attained the commercial operations stage in UP so far. Meanwhile, 8,110 other projects worth ₹7.75 trillion are under different stages of implementation. (*Business Standard*)

### **Government of India announces the sale of two dated securities for a notified amount of ₹36,000 crore**

The Government of India (GoI) has announced the sale (re-issue) of (i) 5.91% GS 2028 for a notified amount of ₹6,000 crore and (ii) 6.33% GS 2035 for a notified amount of ₹30,000 crore. The auction will be conducted using multiple price method. Both

competitive and non-competitive bids for the auction should be submitted in electronic format on the Reserve Bank of India Core Banking Solution (e-Kuber system) on July 25, 2025. *(Business Standard)*

### **Goa govt rolls out AI Mission 2027 to boost governance and innovation**

The Pramod Sawant government has rolled out Goa AI Mission 2027, a visionary roadmap to build an inclusive and future-ready Artificial Intelligence ecosystem, officials said. The mission, a bold leap from Goa's laid-back coastal charm to cutting-edge tech ambition, aims to empower people, enhance governance, and spark innovation across sectors, placing the state firmly on the digital transformation map. *(Business Standard)*



## **Banking and Monetary Policy**

### **Indian Bank Q1 net up 24%, driven by non-interest income**

State-run Indian Bank's first-quarter 2025-2026 net profit increased 23.69% year-on-year to ₹2,973 crore driven by growth in non-interest income and lower slippages. Net interest income increased by 2.93% to ₹6,359 crore. Net interest margin declined to 3.23% from 3.44% on repo rate cuts by the Reserve Bank of India (RBI). Gross Non-Performing Asset (NPA) slid 76 basis points to 3.01% while Net NPAs declined to 0.18% from 0.39%, the bank said. *(The Hindu)*

### **Central Bank of India Q1 net profit rises 33% to ₹1,169 crore**

State-owned Central Bank of India on Saturday posted a 33% growth in net profit at ₹1,169 crore during the first quarter of this financial year, aided by improvement in core income and decline in bad debts. The total income rose to ₹10,374 crore during the June quarter of 2025-26, from ₹9,500 crore in the same quarter of FY25, Central Bank of India said in a regulatory filing. Net NPAs, or bad loans, declined to 0.49% as against 0.73% in the year-earlier period. *(The Hindu)*

### **Not mandatory for customers to opt for digital banking: RBI**

While it may be more convenient for the customer to opt for some services together (for example, virtual access to card controls), the choice to apply for digital banking facilities shall lie solely with the customer, the draft norms said while clarifying that banks can continue to obtain and record mobile numbers of customers to send transaction alerts and other purposes in line with know your customer (KYC) requirements at the time of opening accounts. Further, the norms said banks should get a consent from a customer for providing digital banking services. *(Business Standard)*

### **Digital banking by choice, not default: RBI draft**

The choice to apply for digital banking facilities will lie solely with the customer, according to the RBI's draft directions on Digital Banking Channels Authorisation, 2025. The central bank emphasised that banks cannot make it mandatory for customers to opt for any digital banking channel to avail of any other facility, such as debit cards. *(BusinessLine)*

### **Strong fundamentals keeping economy resilient despite global uncertainties, says RBI bulletin**

The economy remains largely resilient, supported by strong macroeconomic fundamentals, despite global uncertainties, according to the Reserve Bank of India's latest monthly Bulletin. Easing inflation, improving kharif season prospects, front-loading of government expenditure, targeted fiscal measures and congenial financial conditions for faster transmission of rate reductions should support aggregate demand in the economy going forward, per the assessment of RBI officials in the State of the Economy article published in the Bulletin. *(BusinessLine)*

### **RBI conducts surprise VRR auction for ₹50,000 cr**

Liquidity in the banking system seems to have come under strain following GST-related outflows, with the Reserve Bank of India (RBI), in a surprise move, conducting a two-day variable rate repo (VRR) auction to infuse liquidity amounting to ₹50,000 crore. *(BusinessLine)*

### **Banks turn circumspect on corporate credit amid rate cuts, ample liquidity**

Banks have turned more circumspect on corporate credit, preferring to let go existing finely priced loans on maturity and not giving in to demands for fresh loans at softer rates from India Inc. By doing so, they are trying to minimise the hit on their margins amid the soft interest rate cycle ushered in since February by the Reserve Bank of India's monetary Policy Committee and ample liquidity in the banking system. *(BusinessLine)*

### **Banks seek to park surplus liquidity amounting to ₹2.07 lakh crore at the 7-day VRRR auction**

With the banking system awash with liquidity, the Reserve Bank of India received offers from banks for parking liquidity amounting to ₹2,07,584 crore at the seven-day variable rate reverse repo (VRRR) auction on Thursday against the notified amount of ₹2 lakh crore. The banking system had surplus liquidity of ₹3,08,697 crore as on July 17, 2024, and the RBI is trying to suck out this via VRRR to ensure that this surplus does not stoke inflation. *(BusinessLine)*



## **External Sector**

### **India-U.S. trade deal: Deadlock over agri continues, but Trump surprise not ruled out**

With the August 1 deadline approaching, agriculture continues to loom large as an impediment to a trade deal between India and the U.S. India continues to hold firm against opening up the sector to imports to protect Indian farmers, and the U.S. remains keen that the sector be opened up as such a deal would set the precedent for future deals it strikes with the EU and Japan. *(The Hindu)*

## **India-U.K. trade deal: Agri exports to grow 20% in 3 years, other key sectors to benefit**

The government expects the India-U.K. Comprehensive Economic and Trade Agreement (CETA) signed by the two countries on Thursday to lead to substantial benefits for a variety of Indian export-oriented sectors such as agriculture, textiles, leather, chemicals, and engineering goods, according to officials who are aware of the calculations. Under the deal, the U.K. will benefit from a 12 percentage point average tariff reduction — from the current average of 15% to a new average of 3% — for exports to India. It will see a removal or reduction of tariffs on 90% of the tariff lines, covering 92% of the items currently exported from the U.K. to India. *(The Hindu)*

## **India-UK FTA is a huge opportunity and boon to textile industry**

At a time when tariff talks with the US are hanging in the balance, the free trade agreement (FTA), signed on Thursday, with the UK is a boon for India's textile industry. The UK is a global fashion hub and the world's fifth largest garment importer. It imported garments worth nearly \$20 billion from the world in 2024, but India's contribution was just \$1.2 billion and in the top four suppliers to the UK. There is a huge opportunity for the industry to tap the UK market. However, the critical issue is how quickly the industry can scale up their production in the next few months to meet the demand, industry players said. *(BusinessLine)*

## **India likely to become a key player in global cereal market**

India is poised to play a pivotal role in shaping the global cereal market over the next decade. It is emerging both as a major producer and a key importer, particularly of wheat, according to the OECD-FAO Agricultural Outlook 2025-2034. By 2034, India is expected to contribute nearly 30 per cent of the global increase in wheat output, fuelled by rising yields and area expansion spurred by the Atmanirbharta initiatives. It is also set to overtake China as the world's largest rice producer, accounting for 41 percent of the projected rise in global output. *(BusinessLine)*

## **India-UK trade agreement to unlock rapid growth in seafood exports, says exporters' body**

The signing of the India-UK FTA will open up a new market for India in the seafood sector, by leveling its playing field with other exporting countries, according to the Seafood Exporters' Association of India (SEAI). The agreement comes at a time when the sector is facing headwinds in its largest market, the US, said KN Raghavan, Secretary-General of SEAI. Seafood exports to the UK were around \$100 million the last fiscal; frozen shrimp and prawns were the major items in the export basket. *(BusinessLine)*

## **UK-India free trade pact to boost jewellery exports**

The India-UK free trade agreement, which was finalised on Thursday, has come as a big relief to gem and jewellery exporters, who have seen their business shrinking consistently in last few months due to fluid geopolitical developments. The Gem & Jewellery Export Promotion Council (GJEPC) has been proactively collaborating with the government to ensure that the industry receives the strategic focus and priority it truly deserves. Kirit Bhansali, Chairman, GJEPC, said jewellery exports to the UK – currently at

\$941 million – has the potential to touch \$2.5 billion over next three years with the duty concessions in place. *(BusinessLine)*

### **India ratifies trade deal with EFTA, eyes boost in exports, investment**

India on Tuesday submitted the ratification document of the free trade agreement with the four-European nation bloc EFTA to Norway. The pact, officially dubbed as Trade and Economic Partnership Agreement (TEPA), will be implemented from October 1, Commerce and Industry Minister Piyush Goyal has said on Saturday. Under the pact, India has received an investment commitment of \$100 billion in 15 years from the grouping while allowing several products, such as Swiss watches, chocolates, and cut and polished diamonds, at lower or zero duties. *(Business Standard)*

### **28 states, UTs form export strategy to promote outbound shipments: Official**

As many as 28 states and Union Territories (UTs) have formulated their export strategy with a view to promoting the country's outbound shipments, an official said on Monday. The official also said all 36 states and UTs have constituted State Export Promotion Committee (SEPC) and District Export Promotion Committee (DEPC). Further, a draft district action plan has been prepared by the regional authorities of the Directorate General of Foreign Trade (DGFT) for 590 districts. Out of this, 249 are formally notified by DEPCs. These plans include a broad strategy for promotion of exports from districts. *(Business Standard)*

### **Electronics exports up 47% in April-June quarter, led by US, UAE, China**

The United States (US), the United Arab Emirates (UAE), and China have emerged as the top three export destinations for India's electronics sector during the April-June quarter of FY26, according to commerce ministry data. The Netherlands and Germany are other major export destinations for the country's electronics exports. During the quarter, exports increased by 47 percent to \$12.41 billion. *(Business Standard)*

### **Indian suppliers to get non-discriminatory treatment in UK procurement mkts under FTA**

A new free trade agreement ensures Indian suppliers receive equal treatment in UK procurement markets, according to a commerce ministry official. India retains the ability to favor MSMEs in public procurement. This agreement, India's first comprehensive chapter with significant market access, guarantees fair competition for Indian businesses. *(The Economic Times)*

### **India-UK trade pact to help boost exports of labour-intensive sectors, says exporters' body FIEO**

The proposed India-UK trade pact, set to be signed on July 24 during Prime Minister Modi's visit, is projected to significantly boost Indian exports across various sectors. FIEO anticipates benefits for textiles, leather, gems and jewellery, pharmaceuticals, and engineering goods. *(The Economic Times)*



### **Maize acreage heading towards new high**

Maize cultivation in India has increased by 15% till the third week of July 2025, with acreage rising to 71.21 lakh hectares from 61.73 lh last year. States like Karnataka, Maharashtra, Telangana, and Rajasthan have seen notable gains, driven by strong demand from feed and ethanol sectors and better prices compared to crops like soybean and pulses. Total maize acreage is expected to reach a new high this kharif season. Despite record production of 42.28 million tonnes in 2024–25, up from 37.66 mt the previous year, India became a net maize importer due to soaring domestic demand, with imports rising six-fold to 9.7 lakh tonnes. (*BusinessLine*)

### **Balance trade gains with domestic agri interests while dealing with US**

The Solvent Extractors' Association of India (SEA) has urged the government to balance trade benefits with domestic agricultural interests in its proposed trade deal with the U.S., warning that tariff concessions on U.S. soyabean and maize could harm India's oilseed ecosystem, especially the non-GMO soyabean sector. SEA advocates for a calibrated approach that protects Indian farmers from global subsidy asymmetries. While kharif oilseed sowing remains resilient at 156.76 lakh hectares, soyabean acreage has declined over 6%, raising concerns. Additionally, global biofuel policies like Indonesia's B50 and U.S. use of soy oil in renewable fuels are tightening edible oil supply, risking higher prices and volatility in India, which relies heavily on imports. (*BusinessLine*)

### **Oil palm cultivation not promoted in forest areas**

The Agriculture Ministry has clarified that oil palm cultivation is not being promoted in forest areas, aiming instead to enhance green cover and carbon sequestration on non-forest and agricultural lands. A 2020 ICAR-IIOPR study identified suitable regions, including the North-East and Andaman & Nicobar Islands, using GIS mapping. Oil palm requires less water than crops like sugarcane or paddy, mitigating concerns over water and biodiversity. On PM-KISAN, over ₹3.69 lakh crore has been disbursed to farmers since 2019 through transparent, Aadhaar-linked DBT. Meanwhile, seaweed cultivation is expanding, with 384 sites across 24,707 hectares identified as suitable, and production rising from 18,890 tonnes in 2015 to 74,083 tonnes in 2024. (*BusinessLine*)

### **Indian farmers to benefit from zero duty import of agri items**

The UK-India Comprehensive Economic and Trade Agreement (CETA) offers major benefits to Indian farmers by enabling over 95% of agricultural and processed food products to enter the \$37.5 billion UK market duty-free. Key exports like basmati rice, spices, mango pulp, pickles, and ready-to-eat foods will see reduced costs and higher competitiveness. Sensitive items like dairy, edible oils, and apples are excluded. The deal is expected to boost agri exports by 20% in three years, helping India move toward its \$100 billion target. High duties on processed foods (up to 70%) and marine products (up to 20%) are removed. States like Punjab, Haryana, Maharashtra, Gujarat, Kerala, and

the North-East stand to gain, with better market access and increased farmer income. *(BusinessLine)*

### **Maharashtra govt brings new scheme with Rs 25,000 crore outlay to boost agri sector**

The Maharashtra government has unveiled the 'Krishi Samruddhi' scheme. It aims to empower farmers and promote sustainable farming. The agriculture department will implement it over five years with a Rs 25,000 crore outlay. Manikrao Kokate calls it a gift to farmers. The scheme focuses on capital investment, infrastructure improvement, and productivity enhancement. *(The Economic Times)*

### **Digital platforms helping boost agriculture income**

The government is pushing a supportive environment for income of farmers through Digital Platforms. The government in 2016 launched a National Agriculture Market (e-NAM) to enable the farmers to transparently sell their produce to a large number of buyers accessing multiple markets electronically. Farmers Producer Organisations (FPO) have been boarded onto digital platforms such as e-NAM, ONDC (Open Network for Digital Commerce), and GeM (Government e-Marketplace) to enhance digital market access. *(Business Standard)*



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

### **Karnataka aims to become India's quantum hub: Minister NS Boseraju**

Karnataka is positioning itself at the forefront of India's quantum computing revolution, leveraging its presence in sectors like IT, aerospace, defence, biotech and healthcare industries, which are expected to be early adopters of quantum solutions. NS Boseraju, Minister of Minor Irrigation and Science & Technology, discusses initiatives to establish Karnataka as the Quantum Hub of India with ₹48 crore invested in the Quantum Research Park at IISc and an additional ₹3 crore allocated to host the Quantum India Summit 2025. *(BusinessLine)*

### **Mandaviya urges India-specific IR model, allays AI job fears**

Union Labour & Employment Minister Mansukh Mandaviya on Tuesday urged the industry to develop an India-specific model for industrial relations. He also allayed fears about artificial intelligence (AI), stating it won't displace jobs but instead generate new avenues, similar to past technological interventions like computerisation. *(BusinessLine)*

### **MeitY consults ministries amidst China's 'choking' of India's tech supply chain**

In a bid to address the Indian industry's concerns about China restricting import of capital equipment and critical minerals, the Ministry of Electronics and Information Technology (MeitY) is organising inter-ministerial consultations to assess the impact of Chinese restrictions on the domestic electronics manufacturing sector, and come up with a solution. *(BusinessLine)*

### **India to have own LLMs by year-end: MeitY Secy**

India's approach to artificial intelligence (AI) is driven by innovation, with the government aiming to act more as a facilitator than a regulator, a top Ministry of Electronics and Information Technology (MeitY) official said. *(BusinessLine)*

### **Towards green shipping**

India, with its 7,517 km-long coastline and dependence on maritime trade for nearly 95 percent of its trading volume and 70 percent by value, must take decisive steps to align the shipping sector with its climate commitments. The International Maritime Organisation (IMO), in July 2023, revised its greenhouse gas strategy, setting a net-zero target for international shipping by or around 2050. A global carbon tax, proposed at \$100 per tonne of CO<sub>2</sub> equivalent, is to be levied from 2027. It is expected to generate over \$10-13 billion annually, with the funds earmarked for climate technology transfer to developing nations. *(BusinessLine)*

### **Seven years on, govt puts out new telecom policy draft**

The government will soon release a new National Telecom Policy, seven years after the last one was put out. The Department of Telecommunications (DoT) on Thursday published the draft text for comment, with a vision statement emphasizing a “telecom product nation that is driven by innovation and that universally connects its citizens meaningfully, securely and sustainably.” The terminology is back to “telecom” from 2018's National Digital Communications Policy, with a sector-specific focus on increasing connectivity, modernising the domestic telecom supply chain, and adding 10 lakh jobs in the industry, while “upskilling” existing workers. *(The Hindu)*

### **Index of eight core industries grew at a 3-month high of 1.7% in June**

The data, released by the Ministry of Commerce and Industry on Monday, showed that the coal sector saw the largest contraction while the steel and cement sectors saw the strongest growth. The coal sector contracted 6.8% in June 2025, down from a growth of 2.8% in May 2025 and a 14.8% growth in June 2024. The crude oil sector contracted 1.2% in June this year, compared with a contraction of 1.8% in May 2025 and a contraction of 2.6% in June last year. Similarly, the natural gas sector contracted 2.8% in June 2025, compared with a 3.6% contraction in May 2025 and a 3.3% growth in June 2024. The electricity sector contracted 2.8%, compared with a 4.7% contraction in May 2025. *(The Hindu)*

### **India, U.K. sign trade deal**

India and the United Kingdom signed a Comprehensive Economic Trade Agreement (CETA) on Thursday (July 24, 2025) during Prime Minister Narendra Modi's visit to the U.K. The deal, announced in May, more than three years after negotiations were re-launched, was signed by Commerce Minister Piyush Goyal and his British counterpart Jonathan Reynolds. The two sides also released a reworked and extended cooperation framework, replacing 'Roadmap 2030' with the 'India-U.K. Vision 2035' framework. *(The Hindu)*

### **Is the plastic industry trying to influence green policies?**

Shifting responsibility: in many jurisdictions, advertisements for tobacco run with a disclaimer “smoking is injurious to health” while promoting the product, abetted by

weak public policy. This places the onus on individual choice. Similarly, plastic-makers have blamed consumers for not recycling while diverting attention from corporate accountability. In both cases, the effect is for systematic harm to be recast as personal failure. Funding misleading PR and science: Tobacco companies have historically funded studies denying their effects on the body. Similarly, as NPR and PBS have reported, the plastic industry promoted recycling as a resolution from the 1980s despite privately acknowledging its economic and technical impracticality at scale. Yet even as trade groups launched public campaigns around the 'recyclability' of plastic, most plastic waste continued to be incinerated, landfilled or dumped in the open. (*The Hindu*)

### **Manufacturing gains push India's flash PMI to 60.7 in July, services dip**

Pranjul Bhandari, chief India economist at HSBC, said, "India's flash composite PMI remained healthy in July at 60.7. The strong performance was bolstered by growth in total sales, export orders, and output levels. Indian manufacturers led the way, recording faster rates of expansion than services for all of the three aforementioned metrics. Meanwhile, inflationary pressures continue to heat up as both input costs and output charges rose in July. Finally, business confidence fell to its lowest mark since March 2023, while employment growth moderated to its weakest pace in 15 months." (*Business Standard*)

### **Trade war: A second chance for India to attract global manufacturing**

India, like any country, integrates with the world through goods, services, and financial flows. It has done very well in the latter two. Now, it has a chance to emerge as a key player in global goods trade—potentially boosting its slowing gross domestic product (GDP) growth. The key question is: Can policymakers enable this shift? Services trade from India has become a major success. From 2005 to 2023, India's share of global services exports doubled—from under 2 percent to over 4 percent. Over the past decade, services exports grew over 8 percent annually and now make up 44 percent of India's total exports, well above the global average of 25 percent. (*Business Standard*)



## **News on Kerala**

### **Kerala government constitutes 7-member panel for preparing 'State Water Security Plan'**

The Kerala government is moving ahead with plans to create a 'State Water Security Plan', a requirement under the Jal Jeevan Mission (JJM), the Centrally-assisted functional household tap connectivity (FHTC) scheme for rural areas. Given the multi-dimensional nature of water security, the government has constituted a committee with members from the Local Self-Governments, Irrigation, Ground Water, Revenue and Forest departments; and the Kerala Water Authority (KWA), and the Kerala Rural Water Supply and Sanitation Agency (Jalanidhi). (*The Hindu*)

## **Kerala govt to offer coconut oil at subsidised rate during Onam as prices set to cross ₹500 per litre**

The Kerala government will make coconut oil available at subsidised rates during the upcoming Onam season, as prices have recently surged past 450 per litre and are expected to rise further. The decision was taken at a high-level meeting chaired by Food and Civil Supplies Minister G. R. Anil at the Supplyco headquarters, according to a press release issued by the Information & Public Relations Department (I&PRD) on Tuesday ([Mathrubhumi.com](http://Mathrubhumi.com))

## **Rubber prices surge amid supply shortage; Rates cross ₹210**

Amid a shortage of supply, rubber prices have seen an upward trend. The prevailing market price is ₹204 per kg. Traders say that isolated deals for RSS-4 grade rubber have gone up to 2215 per kg. However, only a very limited quantity of rubber sheets is reaching the market. The surge became evident after a leading tyre company, which procures the largest quantity of rubber sheets from the state, purchased rubber at 206 per kg the other day. Following this, tread rubber companies procured stock at ₹210 per kg, and agents even booked supplies at ₹215 per kg. ([Mathrubhumi.com](http://Mathrubhumi.com))

## **A beetle-fungi combo threatens plantations in rubber capital Kerala**

Rubber trees in Kerala are being attacked by the ambrosia beetle (*Euplatypus parallelus*), which has a symbiotic relationship with two fungi: *Fusarium ambrosia* and *Fusarium solani*. This beetle-fungi alliance is causing severe leaf fall and tree drying. A study by the Kerala Forest Research Institute, published in *Current Science*, warns of further risks from other fungi teaming up with the beetle. Experts urge immediate action from policymakers and researchers. Meanwhile, farmers are calling for genetically modified rubber plants to resist such threats. ([The Hindu](http://TheHindu))

## **Kerala Science City at Kozha gets ₹6 cr for second phase of development**

The state government has granted administrative sanction of ₹6.38 crore for the second phase of development at the Kerala Science City in Kozha, MP Jose K Mani has announced. The funds will support the ongoing construction of the Space Theatre, an overhead water tank, a food court, electrification works, and the entrance gate. A sky observatory is also planned as part of this phase. ([onmanorama](http://onmanorama))

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