



## Public Finance

### **Govt to step up OFS in state-run firms with public float below 25%**

To meet the minimum public shareholding (MPS) norm of 25% in listed public sector enterprises at the earliest, the government will accelerate stake sales in over a dozen PSUs and list major unlisted state-run firms, sources told FE. Apart from meeting regulatory norms, the stake dilution will also generate substantial non-tax revenues — a key focus area for the government amid slowing tax collections. “Clear instructions have been issued for listing of major unlisted firms and meeting the 25% MPS norm,” an official said. (*Financial Express*)

### **8th Pay Commission update: Parliament seeks clarity on priority areas and implementation roadmap – Govt replies**

The government has reiterated that the 8th Pay Commission has already been formally constituted and will submit its recommendations within a fixed timeframe, even as Members of Parliament sought clarity on the key areas under review and the roadmap for implementing the panel’s proposals. The clarification came in a written reply in the Rajya Sabha on Tuesday, where the Finance Ministry responded to a set of questions on the status, scope, timeline and fiscal impact of the 8th Central Pay Commission. (*Financial Express*)

### **UP amending State’s FRBM Act to bring back borrowing ceiling to 3%**

The Uttar Pradesh government has decided to introduce the State’s Fiscal Responsibility and Budget Management Act (UPFRBM) to lower the annual borrowing ceiling to 3 percent of GSDP as against 3.5 percent. After presenting the budget, in an interview to businessline, State’s Finance Minister Suresh Khanna said State’s own tax mobilization has been strong. (*BusinessLine*)

### **Budget pegs FY27 total expenditure at ₹53.47 trillion: Sitharaman**

Finance Minister Nirmala Sitharaman on Wednesday said that the government has envisaged a total expenditure of ₹53.47 trillion for the next financial year, up 7.7 percent from the current fiscal ending March 31. According to the revised estimate, the size of the Budget for the current fiscal is ₹49.64 lakh crore, lower from ₹50.65 trillion estimated in February 2025. The Budget for fiscal 2024-25 was at ₹46.52 trillion. Total expenditure is pegged at ₹53.47 trillion in the next fiscal, much more than tax receipts, she said in reply to a discussion on the Union Budget in the Lok Sabha. (*Business Standard*)



### **I-T dept releases draft rules, forms for new Income Tax Act; seeks public inputs**

The tax department on Saturday released draft rules and forms under the new Income Tax Act, 2025, which proposes to simplify the provisions and reduce compliance burden for ease of understanding and make it taxpayer-friendly. A new and simplified Income Tax Act, 2025, which will replace the over six-decade-old Income Tax Act of 1961, will come into effect from April 1. The department has sought comments from stakeholders on the draft Income-tax Rules, 2026, by February 22. *(The Hindu)*

### **Taxpayer base more than doubled in the last decade**

India's direct tax system has undergone a significant expansion over the last decade, marked by a sharp rise in the number of taxpayers as well as sustained improvements in administrative efficiency. Time-series data released by the Income-Tax Department indicate that this expansion has been broad-based and persistent, reflecting deeper formal participation rather than a short-lived compliance surge. *(The Hindu)*

### **Bombay HC stays Rs 170 cr GST recovery against Gateway Terminals**

The Bombay High Court has stayed recovery proceedings against Gateway Terminals India in a Rs 170 crore goods and services tax (GST) dispute after the company was denied input tax credit on licence fees paid to the Jawaharlal Nehru Port Trust (JNPT).

The dispute arose after tax authorities rejected the company's claim for ITC on the grounds that the underlying transaction did not qualify as a "service" eligible for credit under GST law. The department also denied a refund of tax already paid on the same transaction. *(Business Standard)*



### **RBI revises FY26 GDP growth forecast to 7.4% from 7.3% earlier**

The Reserve Bank of India (RBI) has revised GDP growth forecast for the ongoing financial year to 7.4% from 7.3% today. Real GDP growth for Q1 FY27 has also been revised to 6.9% from 6.7% and Q2 to 7% from 6.8%, with risks evenly balanced. The central bank noted that sustained buoyancy in the services sector, GST rationalisation, healthy rabi prospects, monetary easing and benign inflation environment should support private consumption. *(Business Standard)*

### **India's petroleum and liquid fuel consumption to hit 5.92 mbpd in 2026 compared to 5.66 mbpd last year**

India will increase its liquid fuels consumption by around 0.3 million b/d in the next two years. It sees India's consumption at 5.92 million barrels per day (mbpd) in 2026 and at 6.26 mbpd in 2027. This shows an impressive rise compared to 5.66 mbpd in 2025. India's liquid fuel output is seen at 1.01 mbpd in 2025 and is expected to rise to 1.06 mbpd this year and to 1.09 mbpd next year. *(Business Standard)*

### **Uttar Pradesh govt's pharma investment kitty hits ₹38,000 crore**

India's pharma market is estimated to touch \$120 billion by 2030 while Uttar Pradesh accounts for roughly 17 percent of domestic sales. While 210 investment proposals to the tune of ₹28,000 cr were received following the Uttar Pradesh Global Investors' Summit (GIS) in 2024, the state secured about a dozen fresh investment proposals at the UP Pharma Conclave in Lucknow recently. *(Business Standard)*

### **Moody's projects India's GDP to grow 6.4% in FY'27, fastest among G20 economies**

Moody's Ratings on Monday projected India's GDP to grow at 6.4% in the next fiscal, the fastest pace among G-20 economies, driven by strong domestic consumption, policy measures, and a stable banking system. In its banking system outlook report, Moody's said their asset quality will remain resilient, with some stress among micro, small and medium enterprises (MSMEs). *(The Hindu)*

### **Middle class expanded, economy grew: Finance Minister**

Naysayers who claim the Indian economy is dead are mocking at the people of India, who are contributing to India's growth, Union Finance Minister Nirmala Sitharaman said here on Thursday while replying to the debate on the general Budget in Rajya Sabha. She said growth without inflation is an achievement of the entire country. "That is, you are having a good, high rate of growth of the GDP, and there is a low inflation, which is being held at that kind of a level continuously," she said. *(The Hindu)*

### **MPC holds policy rate at 5.25%, revises growth projection upwards, FY26 inflation outlook at 2.1%**

The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) voted unanimously to keep the policy repo rate unchanged at 5.25% and decided to continue with a neutral stance. Policy rate to remain low for a long time; macroeconomic fundamentals, including external sector, are very strong, says Gov. Malhotra; real GDP growth projections for Q1FY27, Q2 revised upwards. *(The Hindu)*



## **Banking and Monetary Policy**

### **RBI tells banks not to insist on collateral security for loans up to ₹20 lakh for MSEs**

The Reserve Bank of India (RBI) on Monday asked banks not to insist on collateral security for loans up to ₹20 lakh extended to units in the micro, small enterprises (MSE) sector. "Banks are also advised to extend collateral-free loans up to ₹20 lakh to all units financed under the Prime Minister Employment Generation Programme (PMEGP) administered by KVIC," the central bank said in its Lending to Micro, Small & Medium Enterprises (MSME) Sector (Amendment) Directions, 2026. *(The Hindu)*

### **RBI spells out norms to keep loan recovery agents on leash**

The Reserve Bank of India (RBI), in a draft guideline issued on Thursday, has proposed to restrain bank employees or recovery agents to desist from employing harsh methods towards loan recovery. Accordingly, they would be prohibited from using minatory or abusive language, sending 'inappropriate' messages either on mobile or through social media, making excessive calls to the borrower or guarantor, and calling outside prescribed hours and making threatening or anonymous calls. *(The Hindu)*

### **CRR can be used to provide liquidity**

One of the expectations from the credit policy was an announcement of a calendar for open market operations. This was against the backdrop of fluctuating liquidity over the last two months or so. True, there is a surplus right now but this can change again in March when the advance tax payments have to be made. The policy has assured supply of liquidity as and when needed, which also includes situations when the government's cash balances with the central bank increase. *(BusinessLine)*

### **India Inc borrows more via ECBs in December 2025**

Indian companies mopped up \$4.435 billion in December 2025, about 85 per cent more compared with \$2.402 billion in November 2025. However, in the first nine months (9M) of FY26, resource mobilisation by India Inc was 41 per cent lower at \$25.570 billion, against \$43.319 billion in the year-ago period, according to RBI data. The average monthly fund raising via the ECB route in 9MFY26 was \$3.063 billion, against \$4.813 billion in the year-ago period. *(BusinessLine)*

### **FDI flow in banking sector declines from \$898 mn in FY23 to \$115 mn in FY25**

Foreign direct investment (FDI) equity inflow in the banking sector has declined from \$898 million in FY23 to \$115 million in FY25, Parliament was informed on Tuesday. Total FDI inflow includes equity inflow, equity capital of unincorporated bodies, re-invested earnings, and other capital, Minister of State for Finance, Pankaj Chaudhary, said in a written reply in the Rajya Sabha. FDI is considered a major source of non-debt financial resources for economic development, he said. *(BusinessLine)*

### **Creditable move**

The Reserve Bank of India (RBI) has flagged off a long-overdue banking reform by ushering in risk-based deposit insurance premiums, in place of a one-size-fits-all premium, from April 2026. Several expert panels, starting from the Narasimham Committee in 1998, have argued for the Deposit Insurance and Credit Guarantee Corporation (DICGC) to move from its flat premium to a risk-based regime to avoid moral hazard. *(BusinessLine)*

### **Mis-selling: Banks to refund, compensate customers, says RBI**

The RBI on Wednesday issued comprehensive draft instructions on advertising, marketing and sales of financial products and services for banks to prevent mis-selling and compulsory bundling of financial products. Further, to ensure that customers understand the financial product they buy, banks will have to seek customer feedback within 30 days of sale, per the Draft Reserve Bank of India (Commercial Banks - Responsible Business Conduct) Amendment Directions, 2026, which will come into effect on July 1. *(BusinessLine)*

### **RBI's proposed norms on sales of financial products may have fee income implications for banks**

Banks may turn more circumspect in selling third-party products if the draft instructions on advertising, marketing and sale of financial products and services issued by the RBI become a reality. Fear of mis-selling will entail not just refunding amounts taken from the customer, shelling out compensation could keep the enthusiasm of banks to push third-party products, such as insurance, mutual funds and pension, under check. This could dent their 'other' income. *(BusinessLine)*

### **Digital banking should be clear, unambiguous: RBI deputy governor**

Reserve Bank of India (RBI) Deputy Governor Swaminathan J has advised banks to design digital journeys in a manner that ensures customers clearly understand what they are doing and authorising. He said terms, charges and consent mechanisms should be unambiguous, alerts must be timely and meaningful, and in the event of a failure, customers should be informed promptly about the next steps, with responses that are predictable and supportive. The event happened on January 30, and his speech was uploaded on the RBI website on Wednesday. Emphasising that culture, not just strategy, sustains institutions over time, Swaminathan said customer centricity, ethics, teamwork, transparency and ownership must guide daily conduct in banks. *(Business Standard)*

### **RBI unveiled draft amendments to lending norms for Urban Cooperative Banks**

The Reserve Bank of India (RBI) has unveiled draft amendments to lending norms for Urban Cooperative Banks (UCBs). It is proposing to double the aggregate ceiling for unsecured advances to 20% of total assets. The proposals also include enhanced individual loan limits and deregulation for housing loans for certain UCB tiers. The RBI is launching Mission-SAKSHAM, a significant capacity-building program aimed at training over 1.4 lakh UCB personnel. *(Business Standard)*

### **RBI comes up with measures to strengthen cooperative banks' financial health**

The Reserve Bank of India (RBI), in consultation with the Government of India, has announced that loans sanctioned by banks to National Cooperative Development Corporation (NCDC) w.e.f. January 19, 2026, for on-lending to cooperative societies are eligible for classification as priority sector lending under the respective categories. These apply to banks other than Regional Rural Banks, Urban Cooperative Banks, Small Finance Banks and Local Area Banks. These loans are for purposes and activities as laid down in the Master Direction on Priority Sector Lending, 2025. The Government of India and RBI have taken various measures to strengthen cooperative banks' financial health, governance and digital inclusion along with enhancing deposit security, credit availability and prudent regulation. *(Business Standard)*

### **RBI proposes to raise unsecured loans to 20% of total for urban co-op banks**

The Reserve Bank of India has increased the unsecured loans cap for urban co-operative banks to 20 per cent of the total advances of the preceding financial year, from 10 per cent of total assets, in the revised draft norms aimed at rationalising the definition of unsecured advances. The limits for individual unsecured advances within the aggregate ceiling of unsecured advances shall be Rs 5 lakh for Tier 1, Rs 7.5 lakh for Tier 2, and Rs 10 lakh for Tier 3 and Tier 4. Further, the lending limit to nominal members for the purchase of consumer durables is also proposed to be enhanced to Rs 2.5 lakh per borrower. *(Business Standard)*

### **Reserve Bank of India raises collateral-free MSME loan limit to Rs 20 lakh**

The Reserve Bank of India (RBI) has revised its lending norms for the micro, small and medium enterprises (MSME) sector, raising the ceiling for collateral-free loans to micro and small enterprises (MSEs) to Rs 20 lakh. Under the amended directions, banks have been instructed not to insist on collateral security for loans of up to Rs 20 lakh extended to MSE units. *(Business Standard)*



### **India's import bill to rise as Russian crude still 7-12% cheaper than US, gulf oil**

Although the joint statement on the interim US–India Bilateral Trade Agreement (BTA) did not say so, a simultaneous executive order from US President Trump claimed that India has agreed to his demand to reduce the purchase of Russian crude to zero. While the Indian authorities have not confirmed this, such a move is quite likely to increase India's crude oil import bill. Data on import prices disseminated by the Ministry of Commerce show that though the discount between crude oil from Russia and from other sources has narrowed from the highs recorded in 2022–23, Russian crude oil is still cheaper than most alternative suppliers such as the US, UAE, Nigeria and Saudi Arabia, as of December 2025. (*BusinessLine*)

### **India's imports of US crude oil in 2025 likely to become second highest on record**

Amid pressure from the US on India to stop Russian crude oil imports, Washington's exports of the geopolitically-sensitive commodity to New Delhi are already set to hit the second-highest on record in CY2025. According to the latest data from the US Energy Information Administration (EIA), cumulative US crude oil exports to India stood around 3,603 thousand barrels per day (kb/d) during the January–November 2025 period, averaging at roughly 327.55 kb/d per month. The export numbers for December 2025 are yet to be updated. Refiners and analysts, however, said India has upped its crude oil purchases from the US, and this year's numbers are expected to surpass the volume recorded in 2022. (*BusinessLine*)

### **US–Bangladesh trade pact dents India's tariff edge in American market**

The US has signed a new trade pact with Bangladesh, lowering its reciprocal tariffs by 1 percentage point to 19 per cent, narrowing New Delhi's tariff advantage over Dhaka in the American market. The deal is set to hit textiles and garments exporters from India the most as it provides a mechanism for zero-duty access to Bangladeshi garments, based on a quota, with a condition that it is made with cotton sourced from the US. (*BusinessLine*)

### **US deal likely to cheer up Indian coffee exports**

The US trade deal is seen positive for Indian coffee exports with shipments of speciality coffees likely to rebound and instant coffees set to make further inroads into the US market with the duty being reduced to zero from 25 per cent, trade sources said. The US has granted duty-free access to Indian coffee as part the trade deal. Indian coffee attracted zero duty in the US, before the 25 per cent reciprocal duty was imposed last year. (*BusinessLine*)

### **Trade deal opens the U.S. textile market of \$118 billion to India**

The Union Ministry of Textiles said on Saturday that the agreement between India and the U.S. opens up a \$118 billion U.S. global imports market of textiles, apparels, and made ups. With the U.S. being India's largest export destination of around \$10.5 billion, the deal is expected to play a pivotal role in India achieving its intended target of \$100 billion exports in 2030. (*The Hindu*)

### **US imports pressure sends corn, soybean prices down**

Indian corn and soybean prices fell on Wednesday after New Delhi agreed to duty-free imports of U.S. soybean and a protein-rich animal feed under a new trade deal with Washington, stoking fears of cheaper supplies among farmers. Soybean and corn prices have fallen by 10% and 4% each since the interim framework was announced last week. *(The Economic Times)*

### **India-US trade deal: New Delhi's trade surplus with Washington may cross \$90 billion within a year, says SBI Report**

India's trade surplus with the United States may cross USD 90 billion annually, supported by a sharp rise in exports and higher import potential, according to a report by SBI. Indian exporters may increase their exports of the top 15 items to the US by around USD 97 billion in a year. Including the remaining items, the export potential may easily cross the USD 100 billion mark annually. The report highlighted that while the US share in India's exports is around 20 per cent, its share in India's imports is only about 7.0 per cent. In services imports, the US has only a 15 per cent share, indicating that India remains a big potential market for the US. *(The Economic Times)*

### **India's \$500 billion US imports intent draws scepticism, risks widening trade deficit**

India's pledge to buy \$500 billion in U.S. goods over five years faces skepticism from economists who warn of distorted commercial procurement and a reshaped trade balance. While U.S. tariffs on Indian goods are set to decrease, the significant import target raises concerns about feasibility and potential inefficiencies, potentially upsetting India's trade balance. *(The Economic Times)*

### **India, Hungary review bilateral ties in 11th round of Foreign Office Consultations**

India and Hungary held their 11th round of Foreign Office Consultations, reviewing bilateral ties across political, economic, and technological sectors. Discussions also covered regional and global issues, including Europe and the Indo-Pacific. This meeting reinforces the close and friendly relations between the two nations. *(The Economic Times)*

### **India eyes Middle East, Asia to diversify steel exports**

India is actively seeking new export destinations for its steel. The focus is shifting towards the Middle East and various Asian nations. Government-to-government discussions are progressing well. Several agreements with Indian companies are anticipated within the next six months. This diversification aims to expand India's steel market reach beyond traditional European destinations. *(The Economic Times)*

### **Datanomics: Gulf bloc's share in India's imports up, exports down**

India and the nations of the Gulf Cooperation Council (GCC) have inked the terms of reference to kickstart the talks for a free-trade agreement to boost bilateral trade and investment. GCC has been India's important trade partner. India's exports to the GCC countries rose from \$41.7 billion in FY16 to \$56.9 billion in FY25, while its imports from GCC more than doubled from \$55.8 billion in FY16 to \$121.67 billion in FY25. The share of GCC countries in India's total imports rose in the last decade—from 2015 to 2025 (Jan-Nov)—while that in exports fell. *(Business Standard)*

### Tea exports spike 9.5% in 2025, output gains 5%

A latest update from Tea Board of India showed that tea production has increased marginally in the past year, as compared to that of 2024. Domestic tea production in 2025 (Jan-Dec) revealed that the country as a whole produced 1369.98 million kg (mkg) of tea, as compared to 1303.53 mkg in 2024. This reflects a rise of 66.45 mkg or 5% in 2025. While production edged higher, Indias tea exports also climbed to a record high in 2025, buoyed by a sharp rise in shipments to Iraq and China, even as geopolitical trade currents remain unsettled. (*Business Standard*)



## Agriculture and Rural Economy

### Agri sector sees more hope than fear in Indo-US trade deal

Coffee exporters have perked up, tea shippers hope to cash in on the low duty advantage, spices trade smells good times, while seafood exporters hope for a big catch as the impact of the India-US trade deal sinks in among agriculture and allied sectors. Alongside this optimism, fears are also being raised in certain sectors over the trade deal. Apple growers are worried their returns will be affected, while traders say corn and soybean prices may be impacted by the import of Dried Distillers Grains with Solubles (DDGS), though many see only a limited impact of the lower soybean oil tariff. The US has granted duty-free access to Indian coffee. Though the US is only the tenth largest buyer of Indian coffee, the deal could be a positive for India. (*BusinessLine*)

### Kerala Agricultural University launches rejuvenated Cochin Ginger, Alleppey Finger Turmeric varieties

Kerala Agricultural University has conducted a seminar to launch selected varieties of Cochin Ginger and Alleppey Finger Turmeric, two iconic spice varieties that have been traded from Kerala for centuries. It was highlighted that the traded names Alleppey Finger Turmeric and Cochin Ginger were formally documented as early as the 19th century, with well-defined quality parameters that set them apart in international markets. However, the availability of these traditional trade varieties has declined sharply in recent years, adversely impacting their established niche export markets. (*BusinessLine*)

### Uplifting women farmers

The staggering and persistent gender gaps in agriculture and the allied sector globally have led the United Nations to declare 2026 as the International Year of the Woman Farmer (IYWF). The gender gaps in the context of rural India are manifested primarily in three forms—land ownership, access to credit, and participation in collectives. Accordingly, the trend of feminisation of the agricultural workforce must be complemented with directed policy and executive focus on closing these gaps. The exclusion of women from land ownership can be understood from the fact that while women make up more than 40 percent of the overall agricultural workforce in India (Periodic Labour Force Survey), they account for only about 14 percent of the overall land holdings and about 12 percent of the overall operated area in the country (Agriculture Census 2015-16). (*BusinessLine*)

### **Pest resistance increasing in Bt-cotton: Minister**

Pest resistance is increasing in Bt cotton in India, if the answer the government gave in the Lok Sabha is any indication. In a written reply in the Lok Sabha on Tuesday, Ramnath Thakur, Union Minister of State for Agriculture and Farmers' Welfare, said about 95 per cent area under cotton cultivation is occupied by Bt cotton (*Gossypium hirsutum*). Though Bt cotton has continued to control one major cotton pest [American bollworm (*Helicoverpa armigera*)], pink bollworm has developed resistance against Bt protein and is becoming a major pest in all cotton-growing areas. Sucking pests are also surging in the cotton ecosystem over the years, he said. (*BusinessLine*)

### **CBG plants driving agri residue management equipment**

The demand for crop residue management equipment is set to increase across the country. This growth is primarily driven by the rising number of compressed biogas (CBG) plants that utilise agricultural feedstocks such as wheat stalks, rice straw, and cotton stalks. As the volume of feedstock increases, farmers and aggregators are increasingly adopting mechanisation for managing crop residues. (*Financial Express*)



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

### **Trade deal boosts US aerospace companies, supply chain partners in India**

The India-US interim trade framework agreement will give US aerospace original equipment manufacturers and their supply chain partners in India a boost. As per the interim trade framework announced on Saturday, India has declared its intent to purchase \$500 billion worth of US energy products, aircraft and aircraft parts, precious metals, technology products and coking coal over the next five years. (*BusinessLine*)

### **Indo-US deal: Indian auto industry don't see much impact**

India's auto industry will not be impacted much by the US-India trade deal, industry sources said. According to government sources, under the deal, Harley Davidson motorcycles in the 800-1600 cc range will be allowed at zero duty from Day 1 of implementation of the Interim Trade Agreement, while on internal combustion engine (ICE) vehicles with capacities exceeding 3,000 cc, the duty will be reduced to 30 percent over a 10-year period. Import duties are likely to be reduced to 50 percent from the first year itself. (*BusinessLine*)

### **'Safety-first' mindset accelerates transition of high-end technologies in mass-market vehicles: Techarc report**

The passenger vehicle (PV) sector has reached a turning point with 'safety-first' consumer shift accelerating the transition of high-end safety technologies into mass-market segments, a report has said. According to a report by independent firm Techarc titled AutoTech PV Dashboard, technology transitioned from peripheral luxury to the primary technological payload driving the consumer experience in 2025. Original Equipment Manufacturers (OEMs) are increasingly using AutoTech scores, a proprietary metric that evaluates consumer-facing technologies across performance, safety and connectivity, to differentiate their offerings in a market undergoing structural recovery, the report said. (*BusinessLine*)

### **Mid-size IT firms slow hiring as AI boosts productivity**

Mid-size IT companies moderated hiring in the December quarter as many reported higher revenue per employee driven by AI productivity. In the latest quarter, mid-size firms Coforge, KPIT Technologies, Mphasis, Hexaware and LTIMindtree collectively reported half the net adds of the previous quarter; from over 4,000 employees in Q2 to over 2,000 employees in Q3. Firms like KPIT reduced their workforce by 155 employees in Q3. Many officials attributed the slowdown to the advent of AI. *(BusinessLine)*

### **Story of a correction in EU textiles trade policy**

The renewed enthusiasm around the EU-India trade deal, particularly the reduction of tariffs on Indian textiles, is understandable. For an industry that employs millions and sits at the intersection of manufacturing, exports, and livelihoods, improved market access to Europe is not a small achievement. But trade outcomes rarely emerge in isolation. They are shaped by history, precedent, and moments when evidence quietly reshapes policy. One such moment from the early 1990s offers a useful lens through which to view today's optimism. *(BusinessLine)*

### **Semiconductor gear, vital for tech ambitions**

The deeper frontier that determines technological sovereignty lies in semiconductor equipment manufacturing. Having mapped that opportunity earlier, it is worth turning to a more practical question: what exactly can India build, and how might it do so with staying power? This matters because without domestic capability in the machines that deposit, etch, pattern, clean, measure and handle wafers, India will continue to rely on a small set of global suppliers for the most strategic layer of the value chain. Equipment is where process knowledge is embedded, intellectual property accumulates and long-term competitive advantage is shaped. *(BusinessLine)*

### **India-US trade pact set to boost India's data centre market sevenfold**

The India-US Interim Trade Agreement will facilitate a 7-fold increase in the data centre market, said industry stakeholders. The two countries announced a framework under which India will purchase up to \$500 billion of US products over five years, that is expected to increase trade in technology products and GPUs used in data centres. India has imported about 20,000-25,000 high-end GPUs worth around \$2 billion in the last two years. *(BusinessLine)*



## **News on Kerala**

### **Personal accidental death assurance scheme for employees of private establishments**

The Comprehensive Health Insurance Agency of Kerala (CHIAK) and the Labour department will jointly implement a personal accidental death assurance scheme for employees of private establishments registered under the Wage Protection System (WPS). The benefits of the scheme will be available to approximately 25 lakh workers in the State. WPS is a scheme launched by the Labour department to ensure that minimum wages are provided to workers under an employer in the private sector. *(The Hindu)*

### **Budget tourism gains traction in Kerala**

Affordable luxury tourism is gaining traction among travellers in Kerala as the State rebounds from post-COVID-19 period. In 2021, the State government introduced two distinct tourism products to win the hearts of tourists and to diversify the State's tourism landscape by attracting different segments of travellers. Caravan tourism introduced by Kerala Tourism was envisioned as a high-end, luxury tourism experience targeting affluent tourists seeking exclusivity and comfort. *(The Hindu)*

### **State has shifted higher education focus to research & innovation: Minister**

Higher Education Minister R. Bindu has said that Kerala is transforming its higher education system from a teaching-centric model to one driven by research, innovation and social relevance. Inaugurating the Kerala Higher Education Expo 2026 in Thiruvananthapuram on Monday, she added that the State aspired for a knowledge society rooted in social justice, inclusive development and public good, that is distinct from profit-driven Western models. She also exhorted institutions to generate practical knowledge and solutions that directly address societal challenges. *(The Hindu)*

### **State unveils R&D vision document for higher education**

The State government's 'Kerala Research and Development Vision for Higher Education: Towards 2031 and Beyond' policy document pitches a global higher education and research ecosystem that is decentralised, digital-first and deeply integrated with society. The policy paper also looks beyond Left Democratic Front (LDF) government's Vision 2031 by reimagining laboratories in State-run universities and colleges as micro-innovation, prototyping and solution-development units that are capable of supporting startups, industries, government agencies and local communities. The vision document was presented by Higher Education Minister R. Bindu at a policy conclave held as part of the National Research Conference in Thiruvananthapuram on Monday. *(The Hindu)*

### **Kerala govt. to launch Digi Kerala 2.0—the second phase of its digital literacy programme**

Digi Kerala 2.0, the second phase of the State government's digital literacy programme, is set to be launched with focus on cyber security, artificial intelligence (AI) awareness, training using the Local Self-Government department's K-SMART application, and digitisation of basic documents. On August 21, 2025, Chief Minister Pinarayi Vijayan declared Kerala as the first fully digitally literate State in India, marking the completion of the first phase of the Digi Kerala project, a grassroots-level intervention across all local bodies to bridge the digital divide. In the first phase, as many as 21.87 lakh people were trained in the usage of digital devices for basic purposes. *(The Hindu)*

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