

INDIA FOCUS



India and Africa should look at doubling bilateral trade by 2030 from the current \$82 bn

PIYUSH GOYAL,
Minister of Commerce and Industry

Vibrant Villages programme will boost employment and promote infrastructure

AMIT SHAH,
Minister of Home Affairs



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1,522 mandis integrated with e-NAM; Rs 4.39 trillion trade recorded

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Next-gen GST reforms are here, says govt

Two-rate GST structure brings down most household items to 5%



GST: Essential reduction

	From	To
Hair oil, shampoo, toothpaste, soap, shaving cream	18%	5%
Butter, ghee, cheese & dairy spreads	12%	5%
Pre-packaged namkeens, bhujia & mixtures	12%	5%
Feeding bottles, napkins for babies, clinical diapers	12%	5%
Health & life insurance	18%	Nil
Exercise books, notebooks, pencils, crayons	12%	Nil
Cement	28%	18%
Three-wheelers	28%	18%
Motorcycles up to 350 cc	28%	18%
Buses, trucks, ambulances	28%	18%
All auto parts	Uniform 18%	
Air conditioners	28%	18%
TVs above 32 inches	28%	18%
Monitors & projectors	28%	18%

The Goods and Services Tax (GST) Council, chaired by Union Finance Minister Nirmala Sitharaman, reached a consensus to move to a simplified two-tier rate structure and exempt individual health and life insurance premiums from GST.

The finance minister said the new GST rates will take effect from September 22, the first day of Navratri.

In his Independence speech from the ramparts of Red Fort on August 15, 2025, Prime Minister Narendra Modi announced the next-generation GST reforms represent a strategic, principled, and citizen-centric evolution of a landmark tax framework, which will enhance the quality of life of every

last citizen.

The Council approved a two-slab structure, removing the 12% and 28% slabs and slashing rates on a wide range of essential items while bringing higher levies on select products.

Sitharaman described the move as not just rate rationalisation but a "structural reform" that will ease compliance for businesses and consumers. "All decisions were taken unanimously, with no disagreement from any state," she said during a press conference after the meeting.

Sitharaman said the reform was not only about rationalising rates. "It's also on structural reforms and for ease of living. We have corrected inverted duty

structure problems. We have resolved classification-related issues and we have ensured that there is stability and predictability about the GST," she said.

As part of the rate rationalisation for the common man, GST on household articles such as soap, toothpaste, namkeen, chocolates and coffee will fall to 5% from either 12% or 18%. Similarly, GST on handicraft and agriculture-related goods such as tractors and composting machines will be cut from 12% to 5%. Renewable energy equipment such as biogas plants and windmills will also attract 5% GST instead of the earlier 12%.

GST on small cars, buses, trucks, ambulances, motorcycles below 350cc, three-wheelers, air conditioners, televisions and cement will be reduced from 28% to 18%.

A special rate of 40% will apply to all tobacco-related products such as pan masala, cigarettes and bidi, as well as to aerated water, caffeinated beverages, carbonated drinks, mid- and large-sized cars, motorcycles above 350cc, and aircraft for personal use.

All individual life and health insurance policies will be exempt from GST, down from the current 18%. However, group insurance will continue to attract 18% GST.

Items such as ultra-high temperature milk, paneer, and all Indian breads (roti and paratha) will now attract nil GST, down from 5%. Cancer and rare disease drugs, along with 33 other life-saving drugs and medicines, will also attract nil GST, down from 12%.

The minister said duty inversion had been corrected in the man-made textile sector, in the fibre-neutral policy and in the fertiliser sector.

Expert views

Revenue Secretary Arvind Shrivastava said he expected the net fiscal implication to be Rs 480 billion based on FY24 figures.

"The rate rationalisation exercise would result in a buoyancy effect and will play a major role. In addition, there will be an effect on consumer behaviour — what people spend on and how much — which will be positively impacted by this exercise. We also expect compliance to improve because many disputes will be settled. We believe the restructuring will be fiscally sustainable for both the centre and the states," he said.

The Federation of Indian Export Organisations (FIEO) has welcomed the decisions of the GST Council aimed at easing liquidity challenges for exporters and streamlining refund processes.

SC Ralhan, President of FIEO, said: "The Council's approval to release export refunds within seven days based on risk analysis, along with provisional refunds under the inverted duty structure for sectors such as textiles, pharma, chemicals and fertilisers is a very welcome move. These reforms will go a long way in reducing working capital blockages and providing



"The announced reforms align seamlessly with the government's commitment to Viksit Bharat and the Make in India initiative, encouraging domestic manufacturing and boosting demand across both urban and rural markets"

UNSOO KIM,
Managing Director, Hyundai Motor India



"Lower GST rates will be positive for growth in the second half of the year and FY27, besides improving operational efficiency and expanding the size of the formal economy"

RADHIKA RAO,
Senior Economist, DBS Bank

timely relief to our exporters."

He further emphasised that the measures will not only strengthen India's export sector but also give rise to increased domestic demand by easing stress on supply chains. "A robust export ecosystem inevitably supports domestic manufacturing and consumption. These steps will create a positive multiplier effect across the economy, benefitting both industry and consumers," he added.

He also assured that wherever the end product is reaching domestic consumers, industry will ensure that the benefits of reduced costs are duly passed on. "Exporters are committed to playing their role in supporting the domestic economy and consumers, while continuing to enhance India's global competitiveness," he said.

Allowing GST refunds below Rs 1,000 will immensely benefit small and e-commerce exporters.

FIEO lauded the GST Council's responsiveness to industry concerns and expressed confidence that these timely reforms will bolster the resilience of Indian trade during a period of global uncertainty.

Garima Kapoor, Economist and Executive Vice President, Elara Capital, said at first impression, the GST rate changes look favourable especially since there is across the board decline in daily use items including services like hotel rates below Rs 7,500. Moreover, very critical items like cement have seen a cut from 28% to 18% which should be a huge positive for the infra sector. The efforts to further ease the compliance burden on tax filers is positive and should aid ease of doing business.

GST rate changes, along with RBI's rate cuts, income tax rebates announced in FY26 budget and easing inflation are all levers for a consumption uptick in the economy. ■

Atmanirbharta, swadeshi echo in PM Modi's Independence Day speech



With economic self-interest now the global order of the day, Indians must not wallow in crisis but instead build strength and standing, Prime Minister Narendra Modi said from the ramparts of the Red Fort during his Independence Day address.

Modi appealed to the nation to embrace "swadeshi", and set out his government's drive towards "atmanirbharta" – self-reliance – in everything from jet engines and electric vehicle (EV) batteries to fertilisers.

In a 103-minute speech, the longest in his ongoing tenure as the Prime Minister of the country since 2014, Modi spoke about the government's efforts to slash India's energy import bill, which runs into trillions of rupees, and announced a National Deep Water Exploration Mission to hunt for oil and gas.

A task force, he said, would be set up to recommend "next-generation reforms" to overhaul the laws, rules and procedures that govern economic life, working within a strict time-frame.

The government will roll out next-generation GST reforms, Modi said, to cut the tax burden on ordinary people, make daily necessities cheaper and boost growth. "It will be a double Diwali gift for you," he promised. Micro, small, and medium enterprises (MSMEs) and small entrepreneurs

would benefit from this move.

"Modi is standing like a wall against any harmful policy that threatens the interests of farmers, fishermen and cattle rearers of India," he said, while hailing exports of Indian agro-products worth Rs 4 trillion.

Calling on every trader and shopkeeper to display "Swadeshi goods sold here" signs, he urged pride in local products: "Not out of compulsion but for our own strength – and if needed, even to compel others to use it. This should be our guiding mantra."

From his "25 years of administrative experience", he insisted: "If we choose this path, and if everyone chooses it, then no self-interest will ever be able to entrap us." Just as millions' sacrifices brought "swatantra Bharat" 79 years ago, so too could hard work, vocal for local and swadeshi

bring "samruddha Bharat", a prosperous India.

The prime minister unveiled a Rs 1 trillion employment scheme: Newly-employed private sector youth will receive Rs 15,000 a month, benefitting 30 million. He warned of "demographic imbalance" from infiltration and illegal migration in border areas, launching a high-powered Demography Mission to protect unity, integrity and citizens' rights.

Stressing that dependence on imports was

"We should not waste our energy in belittling others. our focus should be on strengthening ourselves. For a nation, the greatest criteria for self-dignity is its self-reliance"

“unfortunate”, he asked entrepreneurs to strive for quality manufacturing at lower costs. “Daam kam, dum zyada,” he said.

“We should not waste our energy in belittling others, our focus should be on strengthening ourselves. For a nation, the greatest criteria for self-dignity is its self-reliance,” the prime minister said, while addressing the crowd that included school students and sportspersons wearing white hats printed with the slogan “New India.”

He insisted India’s macroeconomic fundamentals were strong – inflation under control, foreign reserves robust – and the country must “focus on even greater goals now”.

Speaking about Operation Sindoor, PM Modi hailed the efforts of the armed forces during India’s military operation, and asserted that our country will not tolerate nuclear blackmail anymore. The Prime Minister said that we will give a befitting reply to the enemy, while asserting that it has now set a “new normal” of not differentiating between terrorists and those who nurture terrorism. PM Modi said Operation Sindoor was a manifestation of the anger that the country was

“Self-reliance is not confined merely to imports and exports, or to rupees, pounds, and dollars. Its meaning is not so limited. Self-reliance is linked to our capability, and when self-reliance begins to diminish, capability too continually declines. Therefore, to preserve, maintain, and enhance our capability, it is imperative to be self-reliant”

feeling over the Pahalgam terror attack.

Modi announced Mission Sudarshan Chakra, a long-term project to build a nationwide defence system that will intercept incoming threats and also strike back at the source. “This mission will be research-based and developed entirely with indigenous technology.”

The initiative is expected to encompass a multi-layered security framework, integrating advanced surveillance, cyber protection, and physical infrastructure safeguards tailored to India’s evolving threat landscape. ■



PM chairs high-level meet on next-generation reforms

Prime Minister Narendra Modi chaired a high-level meeting to deliberate on the road map for the next-generation reforms, one of the key announcements he had made in his Independence Day address.

Union ministers Rajnath Singh, Amit Shah, Nitin Gadkari, Nirmala Sitharaman, Shivraj Singh Chouhan, Piyush Goyal and Lalan Singh attended the meeting, besides senior bureaucrats heading various ministries and economists.

The deliberations, held on August 18, centred on implementing speedy and comprehensive reforms across sectors. Officials briefed the Prime Minister

on steps being planned to simplify governance, strengthen economic growth, and ensure citizens benefit directly from these measures.

Modi had on August 15 announced the formation of a task force for next-generation reforms and revision of GST laws, as he devoted a major part of his 103-minute speech to highlight the goal of making India self-reliant in a host of sectors ranging from semiconductors to fertilisers. The government has in recent years rolled out several structural and process-driven reforms, ranging from digitisation of services to improvements in infrastructure and business regulations. ■

India and China are partners, not rivals, Modi and Xi say

India and China are development partners, not rivals, Prime Minister Narendra Modi and Chinese President Xi Jinping said, as they discussed ways to improve trade ties amid global tariff uncertainty, according to a Reuters report.

Modi is in China for the first time in seven years to attend a two-day meeting of the Shanghai Cooperation Organisation regional security bloc, along with Russian President Vladimir Putin and leaders from Iran, Pakistan and four Central Asian states in a show of Global South solidarity.

Analysts say Xi and Modi are seeking to align against pressure from the West, days after US President Donald Trump imposed a punitive total of 50% tariff on Indian goods, partly in response to New Delhi's purchase of Russian oil.

Modi told Xi his country was committed to improving ties with China and discussed reducing India's burgeoning bilateral trade deficit of nearly \$99.2 billion, while emphasising the need to maintain peace and stability at their disputed border after a clash in 2020 triggered a five-year military standoff.

"We are committed to progressing our relations based on mutual respect, trust and sensitivities," Modi said during the meeting on the sidelines of the summit, according to a video posted on his official X account.

Xi said that China and India are each other's development opportunities rather than threats, Chinese state news agency Xinhua reported.

"We must ... not let the border issue define



Prime Minister Narendra Modi with Chinese President Xi Jinping in Tianjin, China

the overall China-India relationship," Xinhua reported Xi as saying.

China-India ties could be "stable and far-reaching" if both sides focus on viewing each other as partners instead of rivals, Xi added.

The leaders also discussed expanding common ground on bilateral, regional, and global issues, and challenges like terrorism and fair trade in multilateral platforms, a statement from the Indian foreign ministry said. ■

Japan visit ends with focus on tech and ties

Prime Minister Narendra Modi's two-day visit to Japan reached its culmination with a visit to a semiconductor plant in Sendai, Miyagi Prefecture, highlighting India's growing interest in deepening technological collaboration with Japan.

Modi, accompanied by his Japanese counterpart Shigeru Ishiba, travelled by bullet train to the city, marking a symbolic and productive end to his trip, focused on elevating India-Japan ties in several key sectors.

The highlight of the visit was the tour of Tokyo Electron Miyagi Ltd, a major player in the semiconductor industry. The meeting underscored the complementarity between India's expanding semiconductor ecosystem and Japan's expertise in high-tech manufacturing. ■



Prime Minister Narendra Modi with his Japanese counterpart Shigeru Ishiba at Tokyo Electron's semiconductor factory, in Sendai, Japan.

MACROS ON STRONG FOOTING

Domestic demand fuels 7.8% GDP growth, fastest in five quarters

Written using agency reports

India's economy grew at a faster-than-expected annual rate of 7.8% in the quarter to the end of June, boosted by manufacturing, construction and services.

Annual manufacturing and services growth were at 7.7% and 9.3%, respectively, with the construction sector expanding by 7.6%.

CNBC reported that while the gross domestic product print for the first quarter of the fiscal year 2026 came in higher than the 6.7% expansion forecast by economists in a Reuters poll, economists pointed to signs of a slowdown.

India's nominal GDP – which does not account for inflation or deflation – fell to 8.8% over April-June versus 10.8% in the previous quarter.

Gross domestic product topped both the RBI's 6.5% projection and the 6.6% median in a Moneycontrol poll. Growth was also stronger than the 7.4% rate in the preceding three months ended March 31 and 6.5% recorded a year earlier. "India's GDP growth accelerated to a robust five-quarter high 7.8% in Q1 FY2026 from 7.4% in Q4 FY2025, contrary to the expectations of a sequential slowdown as signalled by high frequency indicators. The 7.6% growth in GVA was boosted by a sharper than anticipated expansion in manufacturing and the services sector, even as agriculture and mining & quarrying underperformed our forecasts," said Aditi Nayar, chief economist, Iera.

The impact of the US 50% tariffs on Indian imports would be felt later, said most economists. Even so, "the surprise acceleration in India's GDP growth in Q2 means that the economy is still on course to expand by a world-beating 7% this year, despite the upcoming hit from punitive US tariffs," said Joe Maher, assistant economist at Capital Economics.

Economists note that the sharper than expected print is expected to dampen any hopes of a rate cut in the October meeting of the Reserve Bank of India. Nayar said the sharper than expected GDP growth print, which represents an acceleration over the previous quarter, has doused any expectations that the tariff related turmoil could prompt monetary easing in the October 2025 policy review.

"The improvement is led by a revival in rural demand and a rise in central government capital expenditure," said Gaura Sen Gupta, chief economist at IDFC First Bank Economic Research. "Urban demand is also showing some signs of improvement, but the recovery remains relatively softer than rural demand."

The services sector was the standout performer, expanding 9.3%, its strongest growth in two years, compared with 7.3% in Q4FY25. Government services surged to a 12-quarter high of 9.8%, while financial services (8.6%) and trade, hotels, transport and communications (9.5%) recorded their fastest growth in two years. Services now account for 53% of India's GDP. ■

Manufacturing activity expands to 17-year high in August

Written using agency reports

India's manufacturing sector continued its strong run in August despite higher US tariffs, with the Purchasing Managers' Index (PMI) touching a near 18-year high of 59.3 compared with the 16-month peak of 59.1 recorded in July.

"India's manufacturing PMI hit another new high in August, driven by a rapid expansion in production. The increase of US tariff on Indian goods to 50% might have contributed to the slight easing in new export orders growth, as American buyers refrain from placing orders in the midst of tariff uncertainty," said Pranjal Bhandari, chief India Economist at HSBC.

August marks the third consecutive month that the PMI has remained above the 58-level, underscoring the sector's resilience against external headwinds.

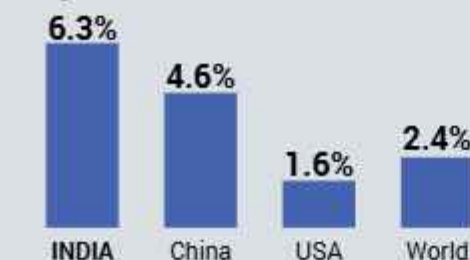
New orders touched a 57-month high during August, as production levels rose at the fastest pace since the pandemic.

"Overall orders growth, on the other hand, held up much better, suggesting that domestic orders remained robust, helping to cushion against tariff-related drag on the economy," he added. ■

Economic Pillars

- GDP grew **6.5% in 2024-25**, the highest among major economies
- Inflation fell to **2.82% in May 2025**, the lowest level since **February 2019**
- Exports reached a record **\$824.9 billion in 2024-25**
- Real GDP is likely to grow by 7.8% in Q1 of FY26 vs 6.5% in Q1 of FY25
- New reforms underway and PM Viksit Bharat Rozgar Yojana

Global Economic Growth Projections for 2025



Source: World Economic Situation and Prospects 2025 (Mid-Year Update)

MACRO WATCH

Economy presents picture of strength: RBI Guv at MPC

Written using agency reports

The Indian economy presents a picture of strength, stability and opportunity, said Reserve Bank Governor Sanjay Malhotra at the Monetary Policy Committee (MPC) meeting in August, while stressing that the monetary policy needs to remain watchful as uncertainties of the global tariff situation is still evolving.

The Reserve Bank of India (RBI) released the minutes of the MPC meeting held from August 4 to 6.



Malhotra and five other members of the MPC voted for keeping the short-term lending rate at 5.5%. "Overall, our economy presents a picture of strength, stability, and opportunity. India's strong fundamentals, growth-inducing policies, and forward-looking economic strategy clearly place it in a strong position," the Governor said, according to the minutes.

While growth has remained steady, inflation outcomes have been far more benign on account of higher food price moderation, he said. "Although we are likely to see inflation undershooting the target in the near term, with a likelihood of monthly numbers even crossing the lower tolerance band of 2%, headline inflation is projected to inch up from Q3 onwards. The uncertainties of tariffs are still evolving," Malhotra said.

Given the current state of uncertainty on the external front, monetary policy needs to remain watchful, he opined.

The MPC consists of three RBI officials – Governor Malhotra, Deputy Governor Poonam Gupta and Executive Director Rajiv Ranjan – and three external members, Nagesh Kumar, Saugata Bhattacharya and Ram Singh.

Malhotra also said the CRR cut, which is likely to kick in from next month, will facilitate further monetary transmission and stimulate economic activity.

Deputy Governor Gupta, while voting for status quo on repo rate, said taking into account the growth-inflation outlook, past actions, the state of the domestic economy, and the global dynamics, "I do not see the scope or rationale for a fur-

ther policy rate cut at this point."

She also favoured a neutral monetary policy stance so that future actions could be data dependent, i.e., conditioned by the relative dynamics of growth and inflation, while also internalising the impact of policy actions from other relevant countries. ■

S&P lifts India's rating to BBB; first upgrade since 2007

Written using agency reports

S&P Global Ratings upgraded India's long-term sovereign credit rating to 'BBB' from 'BBB-', the first upgrade in 18 years, citing strong economic growth, improved monetary policy credibility, and sustained fiscal consolidation.

Fitch has rated India at 'BBB-' since 2006 while Moody's has had a 'Baa3' rating in place since June 2020.

The upgrade follows S&P's decision in May 2024 to revise India's outlook to positive from stable, driven by robust growth and better quality of government spending.

S&P said it expects the impact of US tariffs on the Indian economy to be manageable due to its limited reliance on trade and the dominance of domestic demand in its economy.

"The upgrade of India reflects its buoyant economic growth, against the backdrop of an enhanced monetary policy environment that anchors inflationary expectations," S&P said.

India's real GDP growth averaged 8.8% between fiscal 2022 and 2024, the highest in Asia-Pacific, and is projected to grow at 6.8% annually over the next three years. S&P said this momentum was helping moderate the government's debt-to-GDP ratio despite wide fiscal deficits.

S&P also raised its transfer and convertibility assessment to 'A-' from 'BBB+', reflecting

Outlook Change

- **Rating:** Long-term sovereign rating upgraded to 'BBB' from 'BBB-'
- **Outlook:** Stable
- **Short-term rating:** Upgraded to 'A-2' from 'A-3'
- **Transfer and convertibility assessment:** Improved to 'A-' from 'BBB+'



improved external resilience.

S&P expects India's debt-to-GDP ratio to decline to 78% by fiscal year 2029, from 83% in fiscal 2025. ■

India services growth hits 11-month high in July: PMI

Written using agency reports

Growth in India's services sector accelerated to an 11-month high in July, driven by strong international demand and sustained domestic sales, a survey showed.

The HSBC India Services Purchasing Managers' Index (PMI), compiled by S&P Global, inched up to 60.5 in July from 60.4 in June, confounding a preliminary estimate that showed a drop to 59.8.

A PMI reading above 50 indicates growth in activity on a monthly basis while one below 50 points to a contraction. The latest reading showed the dominant services sector has been expanding for four years.

The new export business sub-index - a key gauge of international demand - showed a marked acceleration in July, registering the second-strongest expansion in a year.

Total new business remained robust despite easing slightly from June's pace, supported by advertising efforts and new client acquisitions.

Among service categories, finance and insurance emerged as the top performer for both new orders and business activity, while real estate and business services recorded the slowest growth.

Business confidence improved as firms anticipated benefits from marketing initiatives, technological innovation and growing online presence.

The HSBC India Composite PMI Output Index, which includes manufacturing, edged up to 61.1 in July from 61.0 in June, indicating the strongest expansion since April 2024. ■

POWER PLAY

India eyes 100 GW nuclear power capacity by 2047

Written using agency reports

India is pursuing a multi-pronged strategy to significantly expand its nuclear power capacity, aiming to reach 100 GW by 2047. This involves indigenous development and international collaboration, focusing on the deployment of pressurized heavy water reactors, fast breeder reactors, light water reactors and small modular reactors.

Currently, 24 reactors with a capacity of 8,780 MW are operational. Another 8 reactors under construction will add 6,600 MW. An additional

10 sanctioned reactors are in the pre-project stage, expected to contribute 7,000 MW. These include Kaiga 5&6, GHAVP 3&4, Chutka 1&2, and Mahi Banswara 1-4.

India's long-term strategy includes advancing its three-stage nuclear programme using uranium and thorium through closed fuel cycles, developing indigenous fast breeder reactors and Bharat Small Reactors (BSRs) for industrial decarbonisation, promoting Bharat SMRs and Indian LWRs, strengthening international cooperation on SMRs and nuclear fuel and exporting nuclear reactors, services, and technology. ■

INFRA BOOSTER

272 road and rail connectivity projects identified under Sagarmala Programme

Written using agency reports

Under the Sagarmala Programme, 272 rail and road connectivity projects have been identified to enhance port connectivity. These projects are being executed by various agencies including the Ministry of Road Transport and Highways, Ministry of Railways, major ports, and private concessionaires. Out of these, 74 projects have been completed, 67 are under implementation, and 131 are in the development stage.

At the apex of the Sagarmala framework is the National Sagarmala Apex Committee, responsible for policy guidance, high-level coordination, and review of planning and implementation. Additionally, the Maritime States Development Council (MSDC) meetings are regularly conducted by the Ministry to foster coordination among key stakeholders, including central ministries and state governments.

As part of the broader Sagarmala initiative, 839 projects have been identified for implementa-



Sagarmala Initiative

839
projects
identified

Rs 5.79
trillion
estimated cost

119
projects
in PPP mode
(Rs 2.42
trillion)

tion at an estimated cost of Rs 5.79 trillion. Of these, 119 projects, costing approximately Rs 2.42 trillion, are being implemented through the public-private partnership mode. The remaining projects are executed in the engineering, procurement, and construction mode with direct government funding. This information was provided by the Union Minister of Ports, Shipping and Waterways, Sarbananda Sonowal, in a written reply to the Rajya Sabha. ■

MAKE IN INDIA

Defence ministry clears Rs 670 bn projects

Written using agency reports

The Defence Acquisition Council, chaired by Defence Minister Rajnath Singh, has approved Rs 670 billion worth of projects to strengthen the Indian Army, Navy, and Air Force. The move focuses on boosting Make in India.

The key projects include the procurement of thermal imager-based driver night sights for the Indian Army's BMP infantry vehicles. The advanced sights will enhance night-time driving, improving the mobility and operational effectiveness of mechanised infantry units.

For the Indian Navy, the DAC cleared several key acquisitions. These include compact autonomous surface crafts, upgraded BrahMos fire control systems and launchers, and a modernised BARAK-1 Point Defence Missile System.

According to the defence ministry, the autonomous surface crafts will help the Navy detect, classify and neutralise threats in anti-submarine warfare missions, adding a new edge to its underwater defence capabilities.

The Indian Air Force will receive new Mountain Radars to strengthen surveillance across high-altitude border areas. The DAC also cleared

the upgradation of the SAKSHAM/SPYDER Weapon System.

In a major move towards modern warfare, the DAC has also approved the procurement of medium altitude long endurance remotely piloted aircraft for the Army, Navy and Air Force.

These drones will be capable of carrying multiple payloads and weapons. They are designed for long-range, long-endurance missions and are expected to enhance 24x7 surveillance and combat operations. ■

Auto PLI scheme attracted Rs 296 bn, says Minister

Written using agency reports

The Production Linked Incentive (PLI) Scheme for Automobile and Auto Components (PLI Auto) has attracted a cumulative investment of Rs 295.76 billion and generated 44,987 jobs as of March 2025.



The scheme mandates a minimum domestic value addition (DVA) of 50% to avail incentives, aimed at promoting localisation. By July 16, 2025, 106 DVA certificates had been issued to approved applicants.

The PLI Auto scheme incentivises sales of advanced automotive technology (AAT) products. Applicants under the Champion OEM category are eligible for incentives ranging from 13% to 18% on incremental sales of AAT vehicles. Those under the Component Champion category receive 7.2% to 13% for AAT components, with an additional 5% for electric vehicle (EV) battery components. This encourages development and scaling of domestic supply chains for advanced and green mobility technologies.

In addition, the PLI Advanced Chemistry Cell (ACC) Scheme supports domestic production of advanced cells used in EV batteries, further enhancing India's EV manufacturing capabilities.

This information was shared by the Minister of State for Steel and Heavy Industries, Bhupathi-



A medium altitude long endurance remotely piloted aircraft

raju Srinivasa Varma, in a written reply to the Lok Sabha. ■

IP filings in India have surged by 44% in 5 years

Written using agency reports

In the past five years, IP filings in India have surged by 44%, rising from 477,000 in 2020-21 to 689,000 in 2024-25. Geographical Indications (GI) showed the highest growth at 380%, followed by Designs (266%), Patents (180%), Copyright (83%), Trademarks (28%), and SICLD (20%), said the Minister of State for Ministry of Commerce & Industry, Jitin Prasada, in a written reply in the Lok Sabha.

To foster innovation and streamline IP processes, the government has implemented several reforms. These include reduced timelines, simplified filing procedures, digitisation, and incentives for startups, MSMEs, and educational institutions (up to 80% fee concessions). The patent examination timeline has been shortened, with electronic submissions made mandatory and online filing promoted (95%+ of filings are now digital). Key reforms include simplified Form 27 filing, reduced foreign filing requirements, and a new 'Certificate of Inventorship' to recognise inventors, he said.

Trademark applications now use eight consolidated forms, and AI-based trademark search and the "IP Sarthi" chatbot have enhanced efficiency. Design filings now follow the international Locarno Classification. Copyright and GI registration processes have also been simplified. ■

IP applications filed in India over the last five years by Indian citizens

IP/FY	Patents	Designs	Trade Marks	Copyright	GI	SICLD
2020-21	24,326	10,594	4,18,594	23,957	57	5
2021-22	29,508	19,245	4,34,084	30,748	116	2
2022-23	43,301	18,170	4,53,325	29,439	210	8
2023-24	51,574	26,536	4,63,108	36,710	134	2
2024-25	68,176	38,804	5,38,665	44,066	274	6

48 projects sanctioned for pharma & drug under PLI

Written using agency reports

As many as 48 projects have been approved under the PLI Scheme for promoting domestic manufacturing of key starting materials (KSMs), drug intermediates (DIs) and active pharmaceutical ingredients (APIs). The

initiative aims to reduce dependency on imports and ensure an uninterrupted supply of critical pharmaceutical components essential for producing vital drugs with no viable alternatives.

Prior to the PLI scheme, many of these products were largely imported. As of December 2024, against a committed investment of Rs 39.38 billion over six years, actual investment has already exceeded targets, reaching Rs 42.54 billion.

This has resulted in cumulative sales of Rs 15.56 billion, including exports worth Rs 4.12 billion. The scheme has helped avoid imports of approximately Rs 11.44 billion and enabled the establishment of domestic manufacturing capacity for 25 critical KSMs, DIs, and APIs.

To encourage industry participation, several awareness initiatives were undertaken during the scheme's rollout and various rounds of application. These included stakeholder consultation meetings, webinars with industry associations, press releases, FAQs and guidelines hosted on government websites, social media campaigns, and the provision of dedicated helpdesk and query resolution mechanisms via the scheme portal. This information was provided by Union Minister of State for Chemicals and Fertilizers, Anupriya Patel, in a written reply in the Rajya Sabha. ■

MONEY TIES

India Post and NIPL join hands to transform inward remittances via UPI

Written using agency reports

The Department of Posts (DoP), Ministry of Communications, and NPCI International Payments Limited (NIPL), the global arm of National Payments Corporation of India, have signed a non-disclosure agreement to collaborate on a transformative initiative aimed at revolutionising inward remittances to India.

This initiative will integrate the Unified Payments Interface (UPI) with the Universal Postal Union's Interconnection Platform, creating a secure, efficient, and cost-effective remittance channel for the Indian diaspora.

This partnership seeks to modernise cross-border payment services and boost financial inclusion by offering an accessible alternative to traditional remittance systems. The

Key benefits of the initiative

- Lower remittance costs
- Safe transactions for senders and recipients
- Reach areas underserved by conventional banking systems
- Near-instant money transfers

integration of UPI with the global postal network is designed to simplify money transfers for Indian workers abroad while ensuring fast and secure transactions. ■

DESTINATION INDIA

India houses more than half of the world's GCCs, says report

Written using agency reports

India houses nearly 1,700 global capability centres (GCCs) spread across Tier-1 and Tier-2 cities, accounting for around 53% of the number of GCCs worldwide.

GCCs have evolved significantly since their emergence in the 1990s, as companies began leveraging offshore locations for cost-efficient operations and a skilled workforce. From initial focus on IT support and back-office services, GCCs have now become hubs for innovation, research and development.

This transition resulted in a significant increase in the number of GCCs around the world, reaching approximately 3,200 centres.

The top six cities, such as Bengaluru, Hyderabad, Chennai, NCR, Mumbai, and Pune, account for 94% of the number of GCCs in India. The rest are spread across Kolkata, Kochi, Ahmedabad, Chandigarh, Coimbatore, Vadodara, Nashik, Trivandrum, Jodhpur, Warangal, Baroda, Visakhapatnam, Bhogapuram, Jaipur, Surat, Mohali, Bhubaneswar, Indore, Mysuru, Madurai, and Bhopal.

While Tier-1 cities continue to lead in terms of GCC presence, the momentum is gradually shifting towards Tier-2 cities. This shift is further bolstered by the Union Budget 2025, which proposes a national framework to facilitate the expansion of GCCs into emerging Tier-2 locations. This geographical diversification is expected to drive a substantial increase in the number of GCCs nationwide.

According to Vestian Research, the total number of GCCs in India is projected to exceed 2,100 by FY28, growing at a CAGR of 8%. On average, approximately 150 new centres are expected to be established annually.

Shrinivas Rao, FRICS, CEO, Vestian said,

"India's leading office markets continue to offer a compelling value proposition to GCCs, characterised by competitive costs, a highly skilled workforce, robust infrastructure, progressive policy incentives, and a conducive business environment. However, selecting the right location remains critical to the long-term success of any GCC. Vestian's GCC Market Entry Index serves as a strategic tool to support companies in identifying optimal locations that align with their business objectives. ■

Centre clears India's Commonwealth Games 2030 bid

Written using agency reports

The Union Cabinet has approved the submission of India's bid to host the 2030 Commonwealth Games (CWG), marking a significant step in the country's growing ambition to stage major international sporting events.

Alongside the bid, the Cabinet also sanctioned the signing of a host collaboration agreement and assured grant-in-aid to the Gujarat government if the bid is accepted.

The 2030 Games are expected to draw participation from 72 nations and territories, generating large-scale employment, boosting tourism, and creating professional opportunities across a range of sectors beyond sport.

India last hosted the Commonwealth Games in Delhi in 2010. Before that, the Asian Games in 1982 were the country's most prominent multi-sport spectacle. ■

Vibrant Villages to strengthen border, national security: Amit Shah

Written using agency reports

Union Home Minister Amit Shah said efforts are on to develop border villages into strong tools of border and national security under the Vibrant Villages Programme (VVP). He said all the benefits of the central and state government schemes would be provided to the citizens living in such villages.

The VVP is based on three key points — preventing migration from border villages, ensuring that every citizen of border villages receives all benefits of central and state government schemes, and developing the villages under VVP into strong tools to strengthen border and national security.

"Not only would every border village be equipped with all facilities, but every citizen living in these border villages would be provided with all the schemes of the Government of India and state governments to improve the lives of the people living there," an official release said. ■



FARMER CONNECT

1,522 mandis integrated with e-NAM; Rs 4.39 trillion trade recorded

Written using agency reports

Almost 1,522 mandis across the country have been integrated with the National Agriculture Market (e-NAM) portal, MoS Agriculture Ramnath Thakur said in a written reply to the Lok Sabha.

Since its inception, the platform has facilitated the trade of 120 million metric tonnes (MT) of agricultural commodities and 491 million units of countable commodities such as coconut, betel leaf, sweet corn, lemon, and bamboo. The cumulative trade value recorded on e-NAM has reached Rs 4,399 billion.

To promote greater participation from small and marginal farmers, especially in rural areas, the government has implemented several initiatives. These include training programmes at each e-NAM mandi, availability of web and mobile applications, and the dissemination of tutorial content through social media platforms.

Over 17.9 million farmers and 4,518 farmer producer organisations (FPOs) are registered on the platform. Agricultural marketing being a state subject, many states have taken proactive steps by liberalising trading licences and allowing e-NAM buyers to bid across mandis, thereby enhancing inter-state trade. ■

RAIL SAFETY

Kavach 4.0 commissioned on Mathura-Kota section

Written using agency reports

Indian Railways has commissioned Kavach 4.0, an indigenously developed automatic train protection (ATP) system, on the high-density Mathura-Kota section of the Delhi-Mumbai route. This marks a significant step in the modernisation of India's railway safety

infrastructure.

Union Railway Minister Ashwini Vaishnaw highlighted the achievement, stating that Kavach 4.0, developed under the Atmanirbhar Bharat initiative, is a state-of-the-art system approved by the RDSO in July 2024.

Kavach is a Safety Integrity Level 4 (SIL-4) certified system — indicating the highest level of safety. Initially developed in 2015, it was first operationalised on the South Central Railway in 2018. The upgraded Kavach 4.0 version, approved in 2025, supports speeds up to 160 kmph.

The system includes complex subsystems such as RFID tags placed every kilometre, telecom towers with optical fiber connectivity, and integrated onboard and station-level units. These components work together to monitor train speed, prevent collisions, and automatically apply brakes in emergencies.

Over 30,000 personnel have been trained on Kavach, and Indian Railways plans to implement it nationwide within six years. IRISSET has also partnered with 17 engineering institutes to include Kavach in BTech curricula. ■

INNOVATION SUCCESS

GeM celebrates 9th foundation day with Rs 5.4 trillion GMV

Written using agency reports

The Government e Marketplace (GeM) marked its 9th Foundation Day with a record-breaking gross merchandise value (GMV) of Rs 5.4 trillion FY25.

Launched in 2016 to drive transparency, inclusivity and efficiency in public procurement, GeM is India's national public procurement portal, offering a digital, cashless, and system-driven platform for government procurement. Its mission is to transform procurement into a smarter, more inclusive and sustainable process.

GeM has evolved into a comprehensive digital platform connecting government buyers with sellers, including women entrepreneurs, startups, artisans, SHGs, MSEs and Divyangians.

GeM CEO Mihir Kumar emphasised the platform's commitment to inclusivity, enabling diverse enterprises — from tribal artisans to tech startups — to access public procurement opportunities.

GeM supports paperless, real-time transactions and contracts across sectors like health, insurance, and mining. AI-powered tools, voice-enabled navigation, and a multilingual learning management system are enhancing seller access, especially in remote regions.

In nine years, GeM has onboarded 150,000 women-led enterprises and expanded into new service domains. It also provides training and onboarding support to state governments, PSUs and local bodies. ■



Accelerating the India-Singapore Comprehensive Strategic Partnership

The 3rd India-Singapore Ministerial Roundtable (ISMR) took place in New Delhi on August 13, 2025. The Indian side was represented by Smt Nirmala Sitharaman, Minister of Finance and Corporate Affairs; Dr S Jaishankar, Minister of External Affairs; Shri Piyush Goyal, Minister of Commerce and Industry; and Shri Ashwini Vaishnaw, Minister of Railways, Information and Broadcasting, and Electronics and Information Technology.

The Singaporean side was represented by Mr Gan Kim Yong, Deputy Prime Minister and Minister for Trade and Industry; Mr K Shanmugam, Coordinating Minister for National Security and Minister for Home Affairs; Dr Vivian Balakrishnan, Minister for Foreign Affairs; Ms Josephine Teo, Minister for Digital Development and Information; Dr Tan See Leng, Minister for Manpower; and Mr Jeffrey Siow, Acting Minister for Transport.

The ministers discussed bilateral cooperation between India and Singapore under the six pillars of ISMR: digitalisation, skill development, sustainability, healthcare, connectivity and advanced manufacturing.



Singapore at the 5th ASEAN-India Youth Summit

A team of 5 young delegates from Singapore participated in the 5th ASEAN-India Youth Summit held in Goa, India, during August 27-31, 2025, which centred on the theme "Connecting the Youth: Shaping our Future".

Over five days of dialogues, cultural exchanges, policy discussions and collaborative workshops, the Singaporean delegates shared their experiences and learned from the diverse perspectives in Southeast Asia and India.



Glimpses of Independence Day Celebrations at HCI Singapore



Forthcoming Events In India

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I. GLOBAL FINTECH FEST

Date & Venue: October 7-9, 2025;
Jio World Convention Centre,
Mumbai
Organiser: Fintech Council of India
Contact: info@globalfintechfest.com

Details: The Global Fintech Fest (GFF) is an annual event that was launched in 2020. It has

grown into a major platform hub for global fintech stakeholders to come together to share and gather insights, leverage networking opportunities and participate in discussions on trends shaping the financial technology landscape. The expo not only showcases cutting-edge fintech innovations but also facilitate investment pitches, workshops and hackathons.

Website: <https://www.globalfintechfest.com/>

II. The International Railway Equipment Exhibition 2025

Date & Venue: October 29-31, 2025;
Bharat Mandapam, New Delhi
Organiser: The Confederation of Indian
Industry (CII)
Contact: tarun@tapadar@cii.in

Details: The International Railway Equipment Exhibition (IREE) 2025 is a trade show in India

that focuses on railway and transportation infrastructure. It serves as a platform showcasing innovations in railway technology, infrastructure, engineering and services. At the event, industry leaders, policymakers and global stakeholders explore advancements in railways and allied sectors. It also creates opportunities for networking and collaboration.

Website: <https://www.irecindia.com/Brochure/Brochure.pdf>

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