

NEWS ROUND UP



NATIONAL MEDIA

GDP growth likely at 6.3-6.5% in Q3

28/02/2025

Source: [Business Line](#)

Economy

The Indian economy is likely to have recovered in the October-December quarter (Q3) of FY25 between 6.3% and 6.5%. However, a research firm sees growth at 5.8%. The government will release the data. Economic growth, measured in terms of GDP, was 8.6% in Q3 of FY24. Since then, it is on a declining path and slipped to 5.4% in the July-September quarter (Q2) of the current fiscal, which was the lowest second-quarter growth. A key reason for low growth was the slowdown in consumption, especially in the urban areas.

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

28/02/2025

Source: [Business Line](#)

Economy

The International Monetary Fund said India's economic growth is expected to recover from its recent moderation, with inflation set to decline. However, the IMF also cautioned that domestic demand may not recover as expected. "Growth is expected to accelerate in the second half of the fiscal year, supported by a catch-up in government capital spending and continued strengthening of rural demand. Overall, growth for 2024-25 is projected at 6.5%, with the output gap estimated to be broadly closed," said an IMF report prepared on the basis of 2024 Article IV consultation with India.

EU chief leads team for trade deal talks



27/02/2025

Source: **mint**

Trade

European Commission President Ursula von der Leyen is leading an EU delegation to India for trade negotiations, focusing on tariffs, non-tariff barriers, and a bilateral strategic agenda. The visit includes meetings with Prime Minister Narendra Modi and discussions under the India-EU Trade and Technology Council. Talks aim to advance a free trade agreement, emphasizing market access, procurement, and security cooperation amid global uncertainties. The EU seeks stronger commitments from India, with both sides prioritizing economic growth, competitiveness, and a stable Indo-Pacific region.

India eyes ₹5,000 cr plan to be pharma innovation hub

27/02/2025

Source: **mint**

Pharmaceutical

India is set to invest ₹5,000 crore to boost pharmaceutical R&D, moving beyond its dominance in generic drugs. The initiative, part of the Promotion of Research & Innovation in Pharma MedTech Sector (PRIP) scheme, will fund startups and companies in drug discovery, medical devices, and stem cell therapy. The government aims to strengthen domestic innovation and reduce reliance on imported technology. With India's pharma sector growing, the success of this initiative depends on regulatory reforms and industry-academia collaboration to foster high-value drug development.

EU ready to address 'specific concerns' of India on carbon tax levy on imports



27/02/2025

Source: [BusinessLine](#)

Trade

The European Union has acknowledged India's "specific concerns" about implementing the Carbon Border Adjustment Mechanism (CBAM) — the bloc's tool to levy taxes on imports of certain carbon-intensive goods from early next year — and is ready to address them. While some of the concerns may be "illegitimate", as the CBAM is a WTO-compatible measure, the EU is committed to addressing all worries and sharing its experience to help in the implementation, an EU official said. The EU is unlikely to include CBAM on the agenda for the talks between Prime Minister Narendra Modi and EU President Ursula von der Leyen in New Delhi, though India wants to bring it up, another source said.

'May raise ethanol blend goal to 20%+'

27/02/2025

Source: [ET](#)

Renewable Energy

Union Petroleum Minister Hardeep S Puri announced India's plans to exceed a 20% ethanol blending target. He mentioned the establishment of a NITI Aayog committee for this initiative. Achievements include the present 19.6% blending rate and significant infrastructure projects. Assam's Chief Minister outlined the state's substantial contribution to India's energy sector, including advancements in natural gas and green hydrogen.

Trade pact beneficial for both India, UK: British trade secy



26/02/2025

Source: **mint**

Trade

The proposed free trade agreement (FTA) between India and the United Kingdom is “genuinely beneficial” to both countries as it would help boost bilateral trade and investments, UK Secretary of State for Business and Trade Jonathan Reynolds said on Tuesday. India and the UK announced resumption of negotiations for the FTA, which is expected to double or even triple bilateral trade from the current \$20 billion in the next 10 years. Reynolds met commerce and industry minister Piyush Goyal to discuss about the agreement.

India, EU to firm up coop in AI, EVs, Chips & Telecom

26/02/2025

Source: **ET**



Trade

India and the European Union at their high-level meeting this week are expected to agree to collaborate in areas such as artificial intelligence, electric vehicles, semiconductors and telecoms, with a focus on "secure and trusted" connectivity to provide an alternative to Chinese-led connectivity networks. The two sides hope to cooperate on harmonising the standards for EV charging infrastructure and set up a "joint research cooperation" focusing on recycling batteries for electric cars, ET has learnt. The projects will have a budget of E 60 million that is expected to come from the Horizon Europe programme as well as India.

EU seeks lower tariff on cars, wines from India; not for tit-for-tat levies



26/02/2025

Source: Business Line

Trade

Striking a more accommodative note than US President Donald Trump on India's high tariffs, the EU has said that it did not consider reciprocity as 'one for one' and there can be asymmetry to account for developmental challenges, especially in agriculture. But the bloc wants India to lower its "very high tariffs" on key items such as cars, wines and spirits in the India-EU free trade agreement being negotiated to gain a balance where both sides have positive outcomes, a senior EU official said, outlining the agenda for EU President Ursula von der Leyen's India visit later this week.

India's growth on track despite global uncertainties, says Modi

26/02/2025

Source: Hindustan Times

Trade



Prime Minister Narendra Modi affirmed India's strong economic trajectory despite global uncertainty. Speaking at the Advantage Assam 2.0 summit, he highlighted reforms and development efforts, particularly in the northeast. Modi emphasized India's resilience and global confidence in its growth. He reiterated the nation's long-term vision, stating that India is progressing step by step towards becoming a major economic force. The summit saw participation from key ministers and state leaders, reinforcing Assam's crucial role in India's development agenda.

Govt plans \$1-billion solar sops



26/02/2025

Source:  FINANCIAL EXPRESS**Renewable energy**

The Indian government is finalizing a \$1-billion capital subsidy to boost domestic solar manufacturing, targeting wafers and ingots—key weak links in the supply chain. The proposal, backed by the Prime Minister's Office, aims to reduce reliance on China and strengthen India's solar industry. Despite growth in solar module production, wafer and ingot manufacturing remains limited. The subsidy plan mirrors past incentives for mobile manufacturing. If approved, it could accelerate India's self-reliance in solar energy and bolster domestic capacity.

India has lower exposure to US tariffs than APAC peers: Moody's

26/02/2025

Source:  mint**Trade**

US reciprocal tariffs are expected to disrupt export demand across Asia-Pacific (APAC), including India, creating challenges for economies with high exposure to US trade, Moody's Ratings said in a report. However, India's exposure is lower than most others in the region, although certain sectors such as food and textiles as well as pharmaceutical products face risks. Ongoing negotiations between New Delhi and Washington are expected to shape the extent of the impact, it said.

Smartphone brands seek growth levers in AI and personalisation



26/02/2025

Source: **ET**

Technology

Amid slowing smartphone sales due to inflation and longer replacement cycles, brands are turning to AI and personalization to drive growth. Enhanced durability has led to extended usage, reducing frequent upgrades. AI-driven features and refurbished devices are gaining popularity as cost-effective options. The availability of affordable 5G smartphones is expected to improve adoption. Experts predict a focus on innovation and AI-powered experiences to attract consumers, while rising input costs may push brands to explore new pricing strategies.

AI can supercharge India's digital stack

25/02/2025

Source: **ET**

Technology

India's IT Minister Ashwini Vaishnaw highlighted AI's potential to enhance the country's digital public infrastructure (DPI), including Aadhaar and UPI. He emphasized India's structured approach to AI integration, positioning it as a global leader in public sector data availability. AI applications in governance, education, and healthcare are already underway. Vaishnaw stressed collaboration between AI and DPI to drive innovation. India has also awarded an AI patent to a startup, reflecting the government's push for AI-driven growth and a competitive edge in global technology.

GCCs, mid and small caps may top IT hiring larger firms step back



Technology

24/02/2025

Source: **ET**

Global Capability Centers (GCCs) and mid- to small-cap firms are expected to lead IT hiring as larger firms slow recruitment due to cost optimization. While overall IT hiring is set to grow at a modest pace, demand for specialized talent is projected to surge by 30-35%. Experts note that entry-level hiring may decline, impacting productivity. Companies are focusing on efficiency and niche skillsets, with hiring in generative AI and automation roles witnessing a rise despite broader hiring caution.

US reciprocal tariffs may hit exports of India-made iPhones, auto parts

24/02/2025

Source: **TOI**



Trade

Apple could be one of the biggest losers in case the Trump administration decides to slap reciprocal tariffs on import of electronics and smartphones from India as the move may put a spanner in its growing manufacturing investments here.

The situation is equally grave for auto component makers, who ship parts worth billions of dollars to the US - estimated at around \$7 billion for this fiscal against \$1.4 billion worth of American imports - and thus run the risk of losing business in case the US increases tariffs on products coming out of India, an assessment carried out by TOI shows.

INTERNATIONAL MEDIA

Trump's threat of 25% tariffs on EU goods heightens fear over trade war



27/02/2025

Source: **FT****Trade**

Donald Trump has warned of imposing 25% tariffs on all EU imports, accusing the bloc of unfair trade practices. His remarks, made during a meeting with business leaders, specifically targeted the car industry. Trump claimed the EU was formed to “screw the US” and vowed decisive action. The threat has heightened concerns over escalating trade tensions, with European officials cautioning against retaliation. Markets reacted negatively, with the euro weakening as fears of a trade war mounted.

Climate body urges public to do more on emission cuts

26/02/2025

Source: **FT****Global Warming**

The UK's Climate Change Committee (CCC) has urged the public to do more to cut emissions, highlighting that a third of reductions must come from consumers. The report stresses the need for lifestyle changes, such as reducing home heating and switching to electric vehicles. While emissions fell by 53% between 2014-2022, further cuts require stricter policies. The CCC warns that relying solely on technological advances won't be enough and calls for stronger government strategies to help individuals make greener choices.

Consumers raise recession fear as sentiment slips



26/02/2025

Source: **WSJ**

Economy

Confidence among U.S. consumers registered the largest monthly decline in more than three years in February, as fears of recession reappeared amid concerns over the inflationary impact of President Trump's potential tariff policies. The Conference Board's closely watched index of consumer sentiment fell for a third-straight month, by 7 points to 98.3 in February, it said. That marked the largest on-month decline since August 2021, and significantly worse than the 102.3 expected by economists polled by The Wall Street Journal.

Ukraine agrees US minerals deal in efforts to mend ties with Washington

26/02/2025

Source: **FT**

Trade

Kyiv has agreed to a minerals deal with Washington, aiming to improve relations and secure long-term US support. The agreement, following the US dropping a \$500 billion revenue claim, is expected to boost Ukraine's resource development and economic stability. Ukrainian officials view the deal as part of a broader partnership, potentially paving the way for future security guarantees. While key details, including US stake size, remain unresolved, the move marks a strategic shift amid ongoing tensions and geopolitical realignments.

QUOTES OF THE WEEK

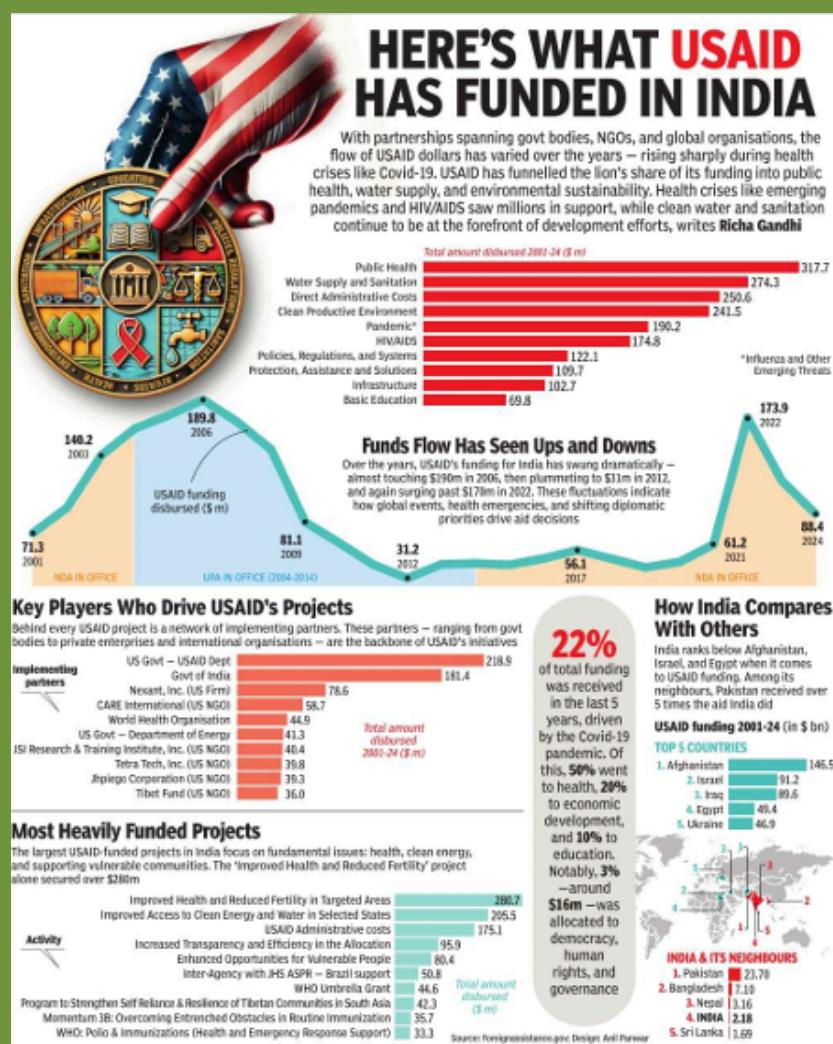
- **Narendra Modi, Prime Minister:** India is undergoing significant reforms across all sectors and levels of the economy. Continuous efforts have been made to enhance the ease of doing business, and a comprehensive ecosystem has been established to promote industry and a culture of innovation.
- **Penny Wong, Australian Foreign Minister:** By boosting our economic ties with India, we are not only creating more jobs and opportunities for Australians, we are advancing our shared interest in a peaceful, stable and prosperous Indo-Pacific.
- **Pralhad Joshi, Union Minister:** Renewable energy must be scaled to match thermal energy production, ensuring a reliable and resilient power supply.
- **Ursula von der Leyen, President, European Commission:** Europe and India are like-minded partners, bound by the shared conviction that democracy best serves the people... We are committed to strengthen to advance trade, economic security, and resilient supply chains, along with a common tech agenda and reinforced security and defence cooperation.

DATA GRAPHICS

Here's what USAID has funded in India

25/02/2025

Source:



State vs state: What investment summits indicate

26/02/2025

Source: **mint**

The promise

Investor summits typically generate large commitments.

mint

Date	State	Committed investment (₹ trillion)
9-11 December 2024	Rajasthan	35
19-20 December 2024	Bihar	1.81
28-19 January 2025	Odisha	16.73
5-6 February 2025	West Bengal	4.4
5-6 February 2025	Jharkhand*	0.26
11-13 February 2025	Karnataka	10.27
21-22 February 2025	Kerala	1.53
24-25 February 2025	Madhya Pradesh	22.5
25-26 February 2025	Assam**	1.2

*Investments sought as part of Bengal investment meet;

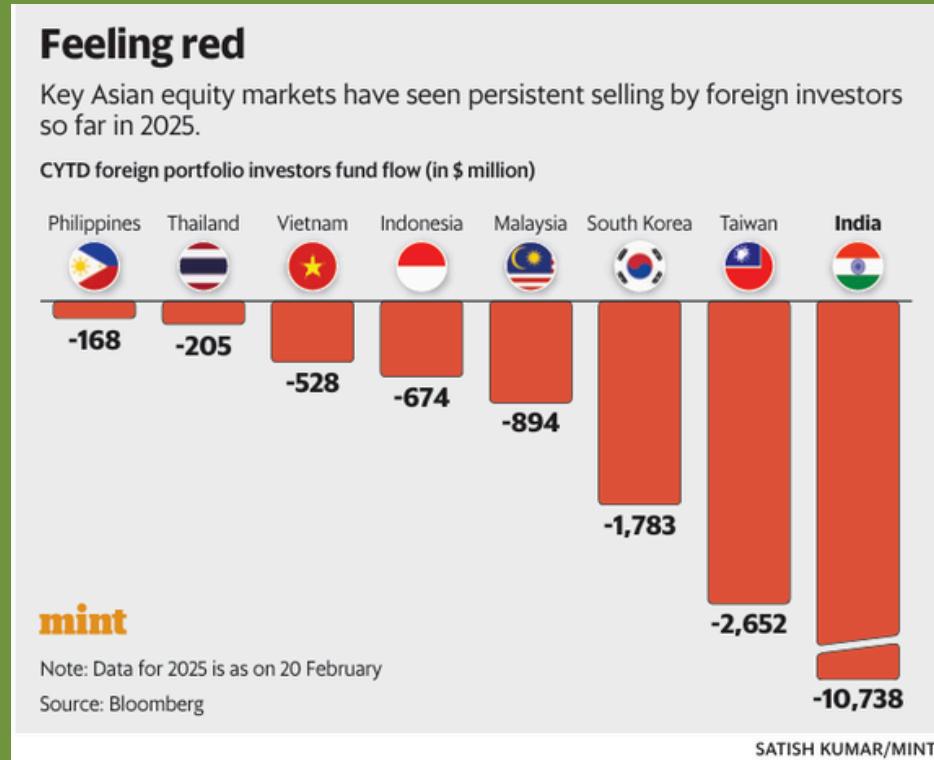
** at the end of day 1 of the summit

Source: Mint research

Trumped: FIIs abandon EMs

26/02/2025

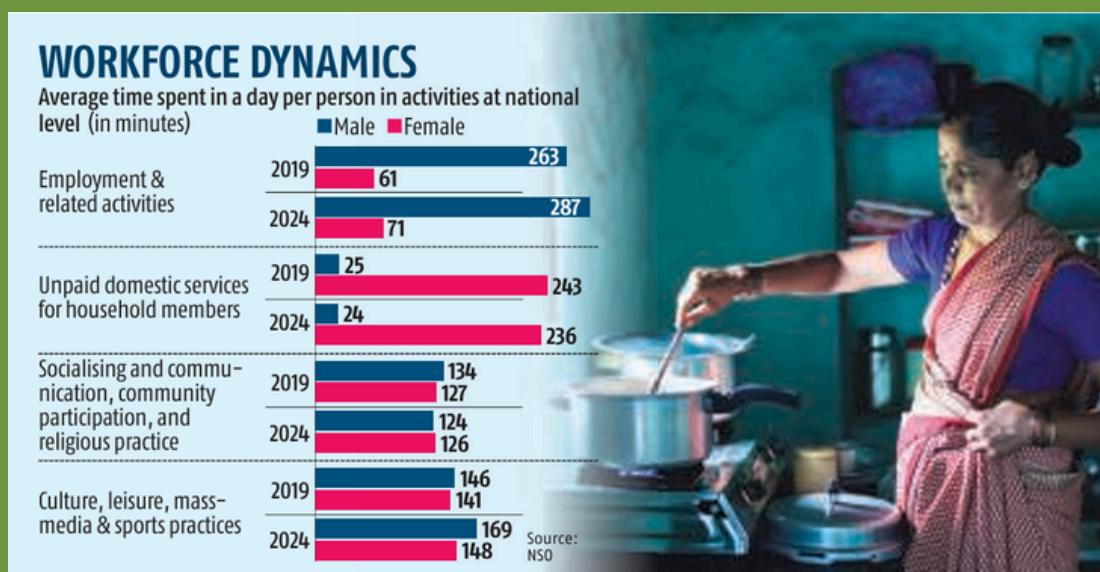
Source: **mint**



Women spent 71 mins a day on 'work-related activities' in '24

26/02/2025

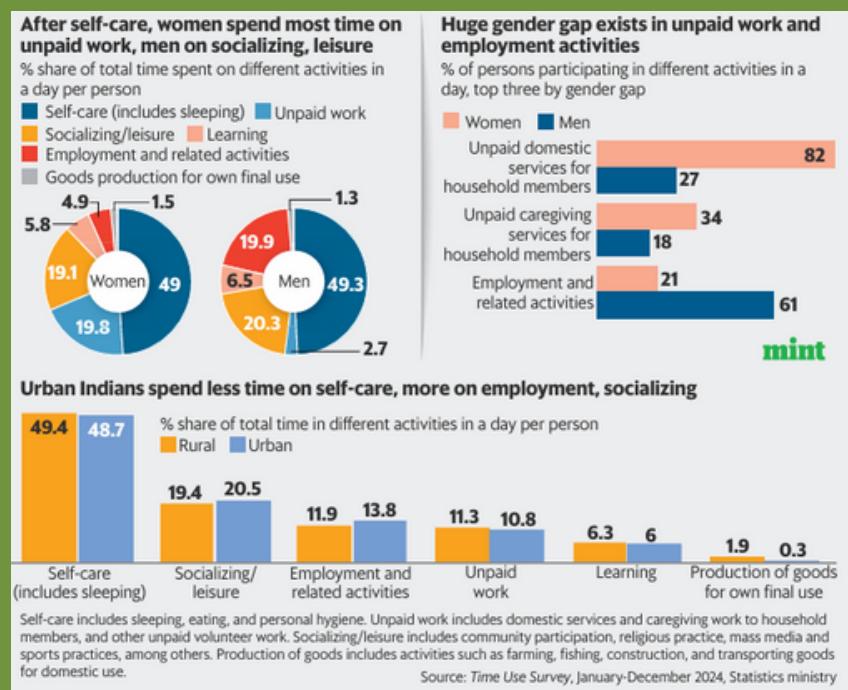
Source: **Business Standard**



How Indians spend their time

27/02/2025

Source: **mint**



India's rising incomes to fuel discretionary spending rush

28/02/2025

Source: **mint**

