

## Top Story 1

### EU trade team in India as FTA deadline nears

India is engaging in intensive discussions with a visiting trade delegation as both sides move toward the final phase of concluding a major trade agreement. The talks aim to accelerate progress under a formal negotiation framework, with leaders on both sides expressing confidence that the agreement is nearing completion. Over the past few years, substantial groundwork has been completed, and most policy areas under the proposed agreement have already been settled. With multiple negotiation rounds concluded, both sides have shifted to continuous engagement supported by high-level meetings to fast-track the process. Key issues still under discussion include tariff reductions and stronger regulatory commitments. India is seeking improved access for labour-intensive and emerging sectors, while the other side is pushing for wider market openings. The agreement is considered strategically important, as the partnering region is among India's largest trade partners, with strong bilateral goods and services exchanges that contribute significantly to India's trade balance.

<https://www.businesstoday.in/technology/news/story/amazon-to-invest-127-billion-to-empower-indias-cloud-and-ai-infrastructure-by-2030-505074-2025-12-04>

## Top Story 2

### India achieved 50% of electricity capacity from non-fossil fuels

India has reached 50% of its installed electricity capacity from non-fossil fuel sources, achieving this milestone well ahead of its national targets. The country's clean-energy capacity continues to expand steadily, with significant additions made this year. Recent reports suggested that authorities had asked lenders to halt financing for new renewable projects due to overcapacity concerns. However, it has been clarified that no such directive was issued. Instead, financial institutions were provided with an overview of current domestic manufacturing capacities across various stages of solar production. This information is meant to help lenders make informed decisions and diversify financing into upstream segments and essential components, rather than focusing only on module manufacturing. India remains committed to strengthening its solar manufacturing ecosystem and becoming more self-reliant. Supported by multiple government measures, the country has witnessed a sharp rise in solar manufacturing capacity, reinforcing its broader goal of expanding non-fossil power capacity and advancing global clean-energy efforts.

[https://www.business-standard.com/amp/economy/news/india-achieved-50-of-electricity-capacity-from-non-fossil-fuels-mnre-125120700239\\_1.html](https://www.business-standard.com/amp/economy/news/india-achieved-50-of-electricity-capacity-from-non-fossil-fuels-mnre-125120700239_1.html)

## Economy

### **India Now Shaping Global Trends In Technology Driven Growth, Has Moved From A Traditional Economy To An Innovation Economy**

India has entered a decisive phase in its shift from a traditional economy to an innovation-driven one, increasingly shaping global technology-led growth. Recent discussions at a major science event highlighted how the past decade has transformed India's scientific outlook, policy direction, and governance approach. The country's growth is now powered by research, technology, and innovation, earning global recognition for new governance models and digital public service systems. A new national R&D initiative aims to unlock high-impact innovation and strengthen long-term technological capabilities. India's space and nuclear sectors have expanded significantly, with start-ups rising sharply and advanced technologies being applied to everyday needs such as healthcare, water solutions, and disaster management. Digital access has also enabled youth from smaller regions to compete nationally, reflecting broader democratization of opportunity. Leaders emphasized that innovation must be sustainable, market-linked, and inclusive, and projected strong future achievements in space, technology, and AI.

<https://www.tripurastarnews.com/india-now-shaping-global-trends-in-technology-driven-growth-has-moved-from-a-traditional-economy-to-an-innovation-economy-dr-jitendra-singh-at-india-international-science-festival-panchkula/>

## Market

### **RBI cuts repo rate by 25 bps to 5.25% amid robust GDP growth, record-low inflation**

India's central bank has reduced the key policy rate by 25 basis points to 5.25%, marking a shift towards a more supportive monetary stance amid strong economic momentum. The decision reflects confidence in the country's stable macroeconomic environment, driven by sustained output growth, easing price pressures, and improving financial conditions. Lower borrowing costs are expected to stimulate credit expansion, support consumption, and encourage investment across sectors. The rate cut also aligns with the broader objective of maintaining balanced growth while ensuring long-term financial stability. With inflation at a comfortable level and supply-side conditions improving, policymakers see room for calibrated easing to reinforce economic resilience. The move is anticipated to boost market sentiment, strengthen liquidity, and create a favorable environment for businesses and households. Overall, the policy action signals India's commitment to fostering steady economic expansion while remaining attentive to emerging risks and global uncertainties.

<https://ddnews.gov.in/en/rbi-cuts-repo-rate-by-25-bps-to-5-25-amid-robust-gdp-growth-record-low-inflation/>

## Finance

### India's Gold ETF inflows slow to \$379 million in November, down 55% MoM

India's gold exchange-traded funds continued to attract steady interest, recording notable inflows in the recent month despite a sharp moderation compared to the previous period. Although the pace of buying eased, India maintained its positive trend, marking six consecutive months of net additions. Total inflows for the year have reached a record level, significantly surpassing previous years and pushing overall assets under management to their highest value so far. This demonstrates strong domestic investor confidence in gold as a strategic asset during evolving economic conditions. The slowdown was not unique to India, as global sentiment toward gold ETFs also softened. Other major regions experienced reduced inflows compared with earlier months, indicating a broad cooling in demand after a phase of elevated buying. Even with the moderation, India's consistent accumulation highlights its growing role in the global gold investment landscape and reflects continued interest in stability-oriented financial instruments.

<https://www.moneycontrol.com/news/business/markets/india-s-gold-etf-inflows-slow-to-379-million-in-november-down-55-mom-13714393.html/amp>

## Taxation

### ET Wealth Edition 14 December 2025

Taxation of equities in India involves two key components: **dividend income** and **capital gains**. Dividends received by investors are added to their total income and taxed according to their slab rates. A limited deduction is allowed for interest paid on borrowed funds used to buy shares, but only up to a fixed percentage of the dividend received. Other related expenses cannot be claimed. Capital gains arise when shares or equity units are sold at a profit. These gains are classified as short-term or long-term based on the holding period. Long-term gains become taxable once they cross a specified exemption limit and are taxed at a concessional rate, provided the required market transaction tax has been paid. When investors buy the same security at different times, India follows the **FIFO method**, where the earliest-purchased units are considered sold first. This ensures consistency and prevents selective reporting of gains.

<https://economictimes.indiatimes.com/wealth/tax/taxation-of-equities-the-fifo-strategy-smart-investors-use-to-cut-capital-gains-tax-and-save-more-on-equity-profits/editionlist/edition-125805871,articid-125799990.cms?from=mdr>

| Metric     | 5-Dec-2025 Rate  | 8-Dec-2025 Rate  | Change      |
|------------|------------------|------------------|-------------|
| USDINR     | ₹89.9520         | ₹90.2550         | +0.3030 ₹   |
| EURINR     | ₹104.7500        | Data NA          | —           |
| GBPINR     | ₹119.9800        | ₹120.00          | +0.02 ₹     |
| JPYINR     | 0.5789 per 1 JPY | 0.5795 per 1 JPY | +0.0006 ₹   |
| NIFTY 50   | 26,188.60        | 26,099.50        | -89.10 pts  |
| BSE Sensex | 85,747.68        | 85,463.55        | -284.13 pts |

