

8 MAY 2026

# ASSOCHAM India Monitor

· (AIM Weekly) ·

----- Vol. 2/Issue 1 -----

A comprehensive weekly tracker of India's  
macroeconomic indicators ↗



**GDP GROWTH**



**INFLATION**



**INDUSTRIAL OUTPUT**



**Top Economic Developments**



**State Developments**



**Top Statistics**



**Weekly Market Mood**



**ASSOCHAM Analysis**

## Cabinet Approvals

- **Mission for Cotton Productivity** with Rs.5659.22 crore Outlay for Self-Sufficiency in Cotton and Competitiveness in Global Textile Markets by 2030-31.
- **Emergency Credit Line Guarantee Scheme 5.0** to provide credit guarantee coverage through National Credit Guarantee Trustee Company Limited to Member Lending Institutions for extending additional credit support to eligible business borrowers in view of West Asia situation. Targets total additional credit flow of Rs.2,55,000 crore (including Rs.5,000 crore for airlines).
- **India Semiconductor Mission:** Momentum accelerates further as India advances into Compound Semiconductor based Mini/Micro LED Display Manufacturing. Two more semiconductor manufacturing units with cumulative investment of more than Rs. 3,900 crore.
- The Union Cabinet has approved the proposal for introducing **The Supreme Court (Number of Judges) Amendment Bill, 2026** in Parliament to amend The Supreme Court (Number of Judges) Act, 1956 for increasing the number of Judges of the Supreme Court of India by 4 from the present 33 to 37 (excluding the Chief Justice of India).
- **Three Multitracking Indian Railways Projects** covering 19 Districts across the states of Madhya Pradesh, Rajasthan, Uttar Pradesh, Karnataka, Andhra Pradesh and Telangana, increasing the existing network of Indian Railways by about 901 Kms. The total estimated cost of the projects is Rs 23,437 crore and will be completed up to 2030-31.
- The Cabinet Committee on Economic Affairs has approved the development of a **State-of-the-Art Ship Repair Facility** at Vadinar, Gujarat, marking a major expansion of the national ship repair ecosystem. The project will be jointly implemented by Deendayal Port Authority (DPA) and Cochin Shipyard Limited (CSL), with a combined investment of Rs.1,570 crore.
- The Cabinet Committee has approved **Fair and Remunerative Price (FRP)** of sugarcane for Sugar Season 2026-27 (October - September) at Rs.365/qtl for a basic recovery rate of 10.25%, providing a premium of Rs.3.56/qtl for each 0.1% increase in recovery over and above 10.25%, and reduction in FRP by Rs.3.56/qtl for each 0.1% decrease in recovery.

## Record Exports in FY26 at USD 863.1 Billion

Revised data released by the commerce ministry showed that India's combined exports increased to \$863.11 billion during 2025-26 from \$825.26 billion in the previous financial year. The growth reflects stable performance in merchandise exports along with strong expansion in the services segment. Merchandise exports during FY26 stood at \$441.78 billion, slightly higher than the \$437.70 billion recorded a year earlier.

## Government's Foodgrain Stocks hit 60.4 million tonnes

Wheat and rice reserves held in Food Corporation of India (FCI) godowns rose to 60.4 million tonnes, nearly three times the mandatory buffer requirement of 21.04 million tonnes. Rice stocks stood at 38.61 million tonnes, well above the buffer norm of 13.58 million tonnes, while wheat reserves were at 217.92 lakh tonnes against the required 74.60 lakh tonnes. Buffer norm's next revision due on July 1.

### **Rajasthan panel clears ₹2,200 crore investment proposals in auto, textiles**

Rajasthan Government committee has cleared investment proposals worth over ₹2,200 crore in the automobile and textile sectors, reinforcing the state's focus on industrial growth and investor confidence. The proposals, approved by the State Empowered Committee are expected to create employment opportunities for more than 1,600 people. The Government highlighted initiatives such as the "One Stop Single Window System", RajNivesh portal, and transparent land allotment processes, which continue to foster a positive investment climate in Rajasthan.

### **Madhya Pradesh cabinet approves Rs 38,555 crore for roads, agri and IT sectors**

The Madhya Pradesh cabinet approved funds of Rs 38,555 crore for various departments and sanctioned the establishment of a State Traders' Welfare Board to streamline grievance redressal and boost the state's economic infrastructure. The meeting earmarked Rs 32,405 crore for road infrastructure and maintenance of government housing for the 16th Finance Commission period (2026-2031), while also approving Rs 2,442.04 crore for the "Self-Reliance in Pulses Mission" to strengthen the agriculture sector over the next five years. The cabinet has allocated Rs 2,412 crore for the construction of new anganwadi centres and the smooth operation of 'Mission Vatsalya', and Rs 1,295.52 crore for the IT and electronics manufacturing sector.

### **AP Strengthens Aerospace Ecosystem with AMCA Flight Testing Hub Allocation**

Andhra Pradesh has secured the proposed Aircraft Integration and Flight-Testing Complex for India's Advanced Medium Combat Aircraft (AMCA) programme at Puttaparthi, strengthening the state's position as an emerging aerospace and defence manufacturing hub. The state government will allocate 350 acres for the project, including land for the testing complex, satellite office, and residential township. Additionally, 300 acres have been earmarked for private aerospace and defence manufacturing facilities. The initiative is expected to support indigenous combat aircraft development and create opportunities for MSMEs, research partnerships, and skill development.

### **Maharashtra Partners with Recove Ventures to Strengthen HDPE and PP Recycling Ecosystem**

Maharashtra has signed a ₹500 crore agreement with Recove Ventures to establish a large-scale recycling and circular manufacturing ecosystem focused on addressing India's HDPE and PP recycling gap. The 10-year partnership will support investments in waste processing, material recovery, and circular manufacturing infrastructure across the state. The first project, to be developed at Additional Jalgaon MIDC, will feature an advanced HDPE and PP recycling facility using extrusion and granulation technology to produce industrial-grade recycled plastic granules. The initiative is expected to strengthen sustainable manufacturing practices, enhance circular economy infrastructure, generate employment opportunities, and contribute to Maharashtra's long-term environmental and industrial development goals.

### **India's defence production reached ₹1.54 lakh crore**

India's defence production reached ₹1.54 lakh crore recording 174 % rise in one decade, while defence export growth rose to ₹23,622 crore recording 34 times rise in one decade. The current budget 2026-27 earmarks Rs 681000cr for defence, which is 9.5 % higher than last year. India's Defence Capabilities Witness Major Shift Towards Technology and Indigenous Innovation. A substantial contribution of around Rs 15,000 crore to total exports came from the private sector, reflecting a major shift towards collaborative defence manufacturing.

### **Scheduled Commercial Banks Record Robust Credit Growth of 15.9% in FY 25-26**

Agriculture and Allied Sector Credit Growth Accelerates to 15.7% in FY 2025–26, up from 10.4% a year ago, reflecting Sustained Rural Demand and Improved Credit Flow. Industrial Credit Expands to 15% in FY 2025–26 as compared to 8.2% in the previous year, driven by Strong Momentum in MSME Lending. Services Sector Credit Growth Rises to 19%, up from 12% last year, with Notable Growth in NBFCs, Trade and Commercial Real Estate Segments. Personal Loans Grew by 16.2%, an increase from 11.7% in the previous year, with Strong Demand for Vehicle and Gold-Backed Loans and Steady Housing Credit.

### **Indian Steel Sector Maintains Growth Momentum in April 2026**

India's steel sector sustained its growth trajectory in April 2026, recording year-on-year gains across key production and consumption parameters. Crude steel production in April 2026 stood at 14.09 million tonnes, up 5.8% year-on-year (YoY) over April 2025 (13.31 million tonnes). Hot metal production grew 5.4% YoY, while pig iron output (0.69 million tonnes) posted a decline of 6% YoY. Finished steel production reached 13.05 million tonnes, up 3.4% YoY. Finished steel consumption in April 2026 was 12.99 million tonnes, registering growth of 8.1% YoY reflecting continued buoyancy in construction, infrastructure, and manufacturing end-use segments.

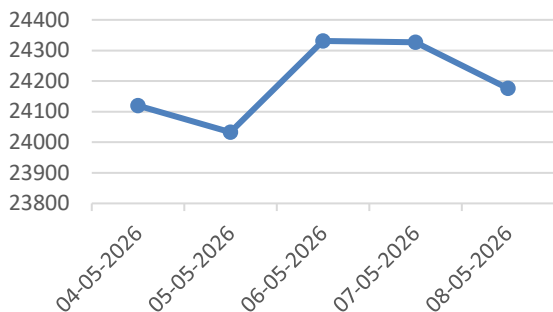
### **Strong public adoption of new Aadhaar App, 21 million downloads in 3 months**

The Aadhaar App is a next-generation mobile application designed to provide Aadhaar Number Holders (ANH) with a secure, convenient and privacy-first way to carry, show, share and verify their identity. Over 2.8 million people have updated their mobile numbers using the new Aadhaar App. Similarly, nearly 6,00,000 people have used the App to update their address. The new Aadhaar App is available in both Android and Apple iOS platforms.

### **Women's Participation in India's Maritime Sector Surges 340% Since 2020**

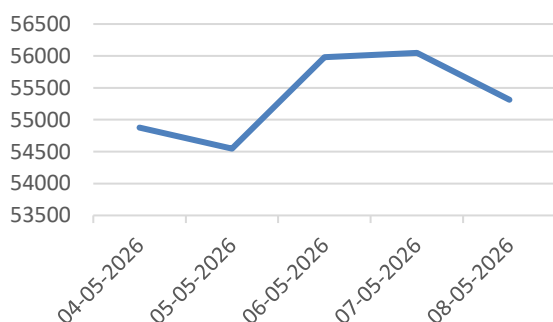
Women's participation in India's maritime sector has increased by 340% since 2020, underscoring the government's push to build a more inclusive, future-ready maritime workforce. Through initiatives like 'Sagar Mein Samman', the Government is advancing dignity, inclusion and leadership opportunities for women in the maritime sector. This transformation in the maritime sector is helping shape a more inclusive, resilient and future-ready workforce. India remains committed to working with all partners to advance a safe, secure and stable Indian Ocean Region.

### NIFTY 50 (^NSEI)



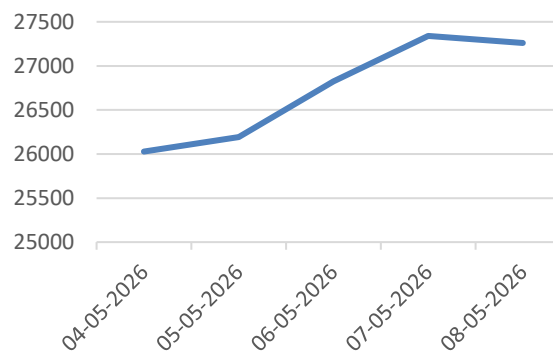
The NIFTY 50 reflects measured market consolidation within a relatively narrow valuation range, indicating balanced investor positioning amid evolving macroeconomic expectations. Trading activity appears aligned with cautious institutional sentiment, supported by selective sectoral resilience and steady capital allocation across the observed period.

### NIFTY BANK (^NSEBANK)



The NIFTY BANK index demonstrates sustained stability within prevailing market parameters, reflecting disciplined investor participation and resilient banking sector fundamentals. Market behaviour suggests confidence in financial institutions, supported by liquidity conditions, prudent capital deployment, and steady expectations surrounding broader economic and credit growth prospects.

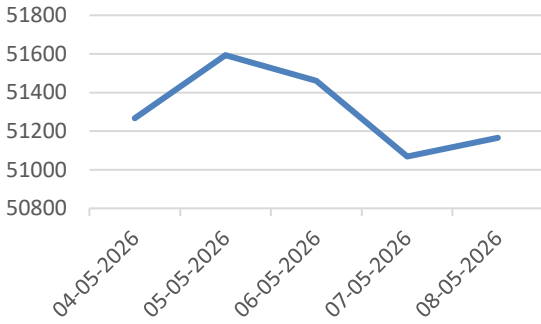
### NIFTY AUTO (^CNXAUTO)



The NIFTY AUTO index reflects constructive market sentiment supported by resilient consumer demand and improving industry confidence. Trading patterns indicate sustained investor engagement in the automotive sector, aided by expectations of stable consumption trends, operational efficiency, and continued momentum across manufacturing and mobility-related segments.

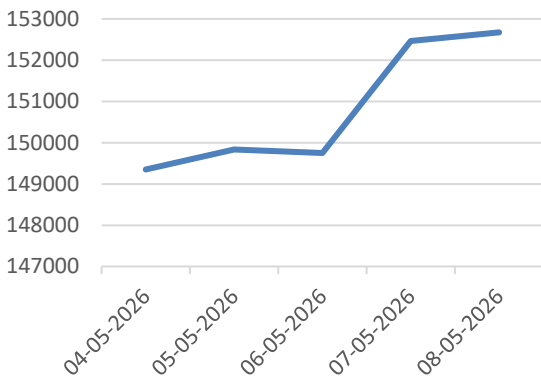
Date	USD (INR / 1 USD)	GBP (INR / 1 GBP)	EUR (INR / 1 EUR)	JPY (INR / 100 JPY)
08-05-2026	94.44	128.31	110.92	60.24
07-05-2026	94.78	128.85	111.35	60.61
06-05-2026	95.16	129.27	111.65	60.84
05-05-2026	95.36	129.00	111.44	60.64
04-05-2026	94.94	129.03	111.39	60.53

### NIFTY FMCG (^CNXFMCG)



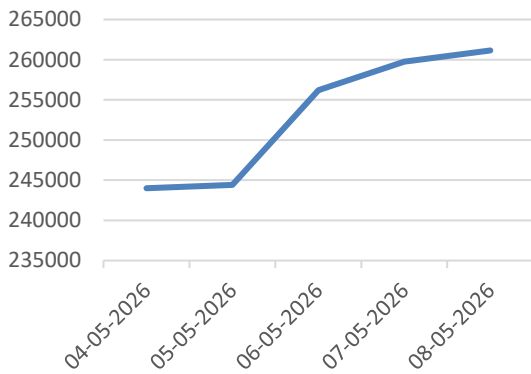
The NIFTY FMCG index indicates a defensive yet stable market posture, reflecting continued investor preference for consumption-oriented sectors during evolving economic conditions. Market participation appears supported by consistent demand fundamentals, disciplined pricing strategies, and confidence in the sector's capacity to maintain operational resilience and earnings visibility.

### Gold (INR/10 GM)



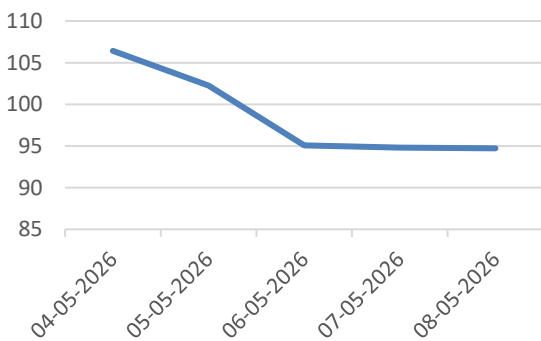
Gold prices reflect sustained investor preference for safe-haven assets amid evolving global economic conditions and inflation expectations. Market positioning appears supported by cautious capital preservation strategies, currency considerations, and continued interest in precious metals as a portfolio diversification instrument within broader financial markets.

### Silver (INR/KG) Close Price



Silver prices indicate firm market participation supported by industrial demand expectations and sustained investor interest in precious metals. Trading behaviour reflects confidence in the commodity's dual role as both an industrial input and a strategic investment asset within evolving global economic and inflationary conditions.

### Crude (\$/BL) Price



Crude oil prices reflect moderated market expectations influenced by evolving global demand dynamics and supply-side assessments. Trading activity suggests cautious sentiment among market participants, supported by ongoing evaluation of energy consumption trends, production outlooks, and broader macroeconomic conditions affecting commodity markets.

## Lead Economic Indicators: India

Out of the 10 lead economic indicators considered in the table above, six have shown improvement in their performance in April 2026 as compared to last month including GST collections, passenger vehicle sales, benchmark equity index, power consumption, manufacturing and services PMI.

West Asia conflict has impacted the number of air passengers travelled during April 2026. The FPI outflows and Middle East conflict impacting oil prices weighed on the Indian currency during the month, which has depreciated more than 5% since the beginning of the year so far. Unified Payments Interface (UPI) recorded a slight decline in April as compared to previous month, the dip followed a record-setting March when UPI processed 22.64 billion transactions amounting to Rs 29.53 lakh crore, the highest ever monthly volume and value for the platform.

Although India's fuel consumption in April 2026 declined by 554 thousand MT as compared to March 2026 but the India's fuel consumption trends in April as compared to last year recorded a rise. Petrol demand increased 6.36% year-on-year to 3,669 thousand metric tonnes (TMT) while Diesel demand, the largest component of the fuel basket, remained nearly flat at 8,282 TMT, up just 0.25% from 8,261 TMT a year ago. Petrol consumption continues to grow steadily, supported by resilient mobility demand, even as global supply disruptions weigh on other fuels.

### Lead Economic Indicators: India

#	Indicator	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26
1	GST Collection (In Rupees Crores)	174550	193384 18834 ↑	183609 -9775 ↓	200064 16455 ↑	242702 42638 ↑
2	Passenger Vehicles (Lakh Units)	3.99	4.50 0.51 ↑	4.18 -0.32 ↓	4.43 0.25 ↑	4.50 0.07 ↑
3	Sensex (Monthly)	85220.60	82269.78 -2950.82 ↓	81287.19 -982.59 ↓	71947.55 -9339.64 ↓	76913.50 4965.95 ↑
4	UPI (In Lakh Rupees Crores)	27.97	28.34 0.37 ↑	26.84 -1.50 ↓	29.53 2.69 ↑	28.81 -0.72 ↓
5	Exchange Rate (INR/1 USD)	90.10	90.80 0.70 ↓	90.73 -0.07 ↑	92.76 2.03 ↓	93.55 0.79 ↓
6	Power Consumption (Billion Units)	138.39	142.74 4.35 ↑	132.99 -9.75 ↓	149.56 16.57 ↑	154 4.44 ↑
7	Fuel Consumption (Petrol + Diesel) ('000 MT)	12025	11504 -521 ↓	11030 -474 ↓	12505 1475 ↑	11951 -554 ↓
8	Air Passengers Carried (Domestic) (In Crores)	1.43	1.53 0.10 ↑	1.41 -0.12 ↓	1.44 0.03 ↑	1.41 -0.03 ↓
9	India Manufacturing PMI	55.0	55.4 0.4 ↑	56.9 1.5 ↑	53.8 -3.1 ↓	54.7 0.9 ↑
10	India Services PMI	58.0	58.5 0.5 ↑	58.1 -0.4 ↓	57.5 -0.6 ↓	57.9 0.4 ↑
Total Rise in Indicators			7	2	6	6
Average Rise in Q1 (January – March 2026)			5			
*Source: Tutorial GST Gov; SIAM, ET Auto, Yahoo Finance, NCPI, RBI, Business Standard, Economic Times, PPAC, DGCA, HSBC and S&P						

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