



spardhaguru2022



Spardhaguru Current affairs



Spardhaguru1



SpardhaGuru



Spardha.guru



www.spardha.guru



## Economic & Business

### Economic & Business News from India on August 16, 2025

**Focus on Logistics:** Prime Minister Narendra Modi emphasized the crucial role of India's logistics sector in economic growth. The sector, valued at USD 215 billion in 2021, is projected to grow at a CAGR of 10.7% until 2026. The government's initiatives like the Logistics Ease Across Different States (LEADS) report and digitalization platforms like ULIP are boosting efficiency and sustainability.

**GST Reforms Proposed:** The government has proposed a significant change to the Goods and Services Tax (GST) system. The proposal suggests doing away with the 12% and 28% tax brackets, retaining the 5% and 18% slabs. A new concessional rate below 1% and a high "sin rate" of 40% on specific items are also being considered.

**RBI's Monetary Policy:** The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) announced on August 6, 2025, its decision to keep the repo rate unchanged at 5.5%. The RBI retained its GDP growth forecast for FY26 at 6.5%. The central bank is taking a cautious approach, considering the global economic uncertainties and the need to support domestic growth.

**Stock Market Update:** Indian equity and commodity markets were closed on Friday, August 15, for Independence Day. Trading will resume on Monday, August 18. This holiday resulted in a long weekend for market participants. The last recorded performance on

Wednesday, August 13, showed the Sensex and Nifty closing with gains, driven by strong US inflation data and optimism from an 8-year low in retail inflation.

**Rupee Trade Settlement:** The RBI has eased rules for Indian banks to facilitate trade settlements in Indian Rupees (INR) for foreign banks. Category-I Authorised Dealer (AD) banks can now open Special Rupee Vostro Accounts (SRVAs) directly for foreign banks with whom they have correspondent relationships, without prior RBI approval. This is a key step toward the internationalization of the Indian Rupee.

**India's Economic Status:** Reports from the Press Information Bureau (PIB) highlight India's strong economic performance, with a real GDP growth rate of 6.5% in 2024-25. The country's strong domestic demand, cooling inflation, and rising exports are seen as key drivers. India has already overtaken Japan to become the world's fourth-largest economy.

Dear Aspirants,

Stay updated with **important lessons, tutorials, and announcements** by subscribing to our official **WhatsApp Channel!**

**Scan the QR code below** to join and never miss an update!

Thank you for your continued support and enthusiasm.

**Let's keep learning and growing together!**





spardhaguru2022



Spardhaguru Current affairs



Spardhaguru1



SpardhaGuru



Spardha.guru



www.spardha.guru



Spardhaguru Competitive Exam  
Coaching Institute  
WhatsApp ಚಾನೆಲ್



### MCQS

Q1. What is the key change proposed for the Goods and Services Tax (GST) system in India?

- A. Introducing a new 10% tax bracket.
- B. Eliminating the 5% and 18% tax brackets.
- C. Doing away with the 12% and 28% tax brackets, while retaining the 5% and 18% slabs.
- D. Levying a uniform 20% tax on all goods and services.

**Answer: C**

The news states that the government's proposal for GST reform suggests "doing away with the 12% and 28% tax brackets, retaining the 5% and 18% slabs." It also mentions a new concessional rate below 1% and a "sin rate" of 40%.

Q2. What was the decision of the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) on the repo rate?

- A. It was increased to 6.5%.
- B. It was decreased to 4.5%.
- C. It was kept unchanged at 5.5%.
- D. It was raised to 7.0% to curb inflation.

**Answer: C**

The news explicitly states that the RBI's MPC "announced... its decision to keep the repo rate unchanged at 5.5%." The RBI's repo rate is the interest rate at which the central bank lends money to commercial banks in India.

Q3. What is a key step taken by the RBI to facilitate the internationalization of the Indian Rupee?

- A. It has mandated all foreign trade to be conducted in INR.
- B. It has provided a grant to Indian banks to promote the Rupee.
- C. It has eased rules for banks to open Special Rupee Vostro Accounts (SRVAs) for foreign banks without prior RBI approval.
- D. It has devalued the Rupee to make exports cheaper.

**Answer: C**

The news highlights that the RBI "has eased rules for Indian banks to facilitate trade settlements in Indian Rupees (INR) for foreign banks" by allowing them to open Special Rupee Vostro Accounts (SRVAs) without prior approval.

Q4. According to the Press Information Bureau (PIB) reports, what is India's real GDP growth rate for 2024-25?

- A. 5.5%
- B. 6.5%
- C. 7.5%
- D. 8.0%







spardhaguru2022



Spardhaguru Current affairs



Spardhaguru1



SpardhaGuru



Spardha.guru



www.spardha.guru



**Answer: B**

The news from the PIB highlights India's strong economic performance with a real GDP growth rate of "6.5% in 2024-25."

**Q5. Why were the Indian equity and commodity markets closed on Friday, August 15, 2025?**

- A. For a scheduled bank audit.
- B. Due to a national strike by traders.
- C. For the Independence Day holiday.
- D. Because of a major technical failure in the trading system.

**Answer: C**

The news directly states that the Indian equity and commodity markets "were closed on Friday, August 15, for Independence Day."



**Dear Aspirants,**

Stay updated with **important lessons, tutorials, and announcements** by subscribing to our official **YouTube Channel!**

**Scan the QR code below** to subscribe and never miss an update!

Thank you for your continued support and enthusiasm. Let's keep learning together!

