

# Industry Matters

Weekly Updates

March 28, 2025



## Economy, Industry and Policy

**ISID backs MSMEs, startups to drive manufacturing-led Viksit Bharat:** The British-Hungarian economist Nicholas Kaldor's assertion that "few countries, if any, attained economic growth without industrialization" is as relevant for India as any other country. The trajectory of most developed economies indicates a similar pattern; they evolved from manufacturing to services to technology. *[Business Standard]*

**Trump's Reciprocal Tariff Policy-Implications for Indian Pharma Industry:** The Indian government, including Minister Piyush Goyal, senior Commerce Ministry officials along with representatives from industry, is working tirelessly to resolve trade disputes with the United States (US) and finalise a Bilateral Trade Agreement (BTA). *[India's World]*

**R&D budget implementation needs attention:** India spends only 0.6–0.7 per cent of its GDP for research and development in stark contrast to developed nations which allocate between 2-4 per cent of their GDP to R&D, while the global average ranges at 2.6 per cent. *[Business Line]*

**Manufacturing growth picks up pace in March, services slows down-Flash PMI:** India's private sector showed a mixed performance in March, flash PMI (Purchasing Managers' Index) data showed on Monday. While manufacturing expanded at a faster pace in the month, services slowed down. *[Business Line]*

**Textile industry sets \$100 billion export target by 2030, seeks policy boost:** The textile and apparel industry has set a target of \$100 billion in exports by 2030 and proposed a five-point plan. Key measures include removing the 10% import duty on cotton fibers, launching an incentivization scheme, fast-tracking PM MITRA parks, expediting FTAs with the EU and USA, and not increasing GST rates for ready-made garments. *[The Economic Times]*

**India's exports are bound to grow despite global uncertainties-DGFT:** India's exports are expected to grow despite global trade uncertainties, according to Director General of Foreign Trade Santosh Kumar Sarangi. Steps like production linked incentive schemes are boosting domestic manufacturing and order books remain positive, suggesting a healthy growth rate for exports. *[The Economic Times]*

**Uncertainty in trade policy, geopolitics risk to growth next year FinMin:** Geopolitical tensions, trade policy uncertainties, volatility in international commodity prices and financial market uncertainties pose considerable risks to India's economic growth in the coming year, the finance ministry cautioned on Wednesday. *[Business Standard]*

**PLI scheme creates 26,351 jobs in India's telecom manufacturing industry:** The Department of Telecommunications (DoT) notified the Production Linked Incentive (PLI) scheme on February 24, 2021, to boost domestic manufacturing of telecom and networking products in India with an outlay of Rs 12,195 crore, according to release. *[Business Standard]*

**Mospi mulls ecommerce price index to monitor digital platform rates:** In a bid to track the prices of goods and services available on digital platforms, the Ministry of Statistics and Programme Implementation (Mospi) is mulling introducing 'ecommerce price index. *[Business Standard]*

**Softer increase in services sector activity slows flash PMI in March:** Private sector output in India increased at a slower pace in March as compared to the previous month, amid a quicker expansion in manufacturing activity and a softer increase in services activity, according to the HSBC flash Purchasing Managers' Index (PMI) survey. *[Business Standard]*

**Expand PLI scheme to labour sectors- Parliamentary committee to govt:** A parliamentary committee has recommended extending and enhancing the production-linked incentive (PLI) scheme and expanding its coverage to include labour-intensive sectors, such as chemicals, leather, apparel, and handicrafts. *[Business Standard]*

**All EOU, AAH, SEZ exports during extended period should get Rodtep benefits:** The Commerce Ministry has notified extension of the Rodtep (Remission of Duties and Taxes on Export Products) scheme for export of products manufactured by advance authorisation holders (AAH), export oriented units (EOU) and units in special economic zones (SEZ) retrospectively from January 1, 2025, to February 5, 2025. *[Business Standard]*

**India to abolish equalisation levy on digital ads from April1:** The government on Monday proposed abolishing the equalisation levy (EL) or digital tax on online advertisements starting April 1, as part of the 59 amendments to the Finance Bill 2025, which is being debated in the Lok Sabha. *[Business Line]*

**India's mobility revolution-The route to Viksit Bharat:** India's rapid economic growth, driven by youth, innovation, and sustainability, aims for Viksit Bharat by 2047 through strategic investments and mobility innovation. *[Financial Express]*

**MPC should take savings into account:** Why RBI's credit policy needs to address savings: Explore how deposit growth impacts liquidity, interest rates, and monetary policy. *[Financial Express]*



## Foreign Investment

**India's overseas direct investments in April-Jan FY25 exceed FY24 total by 15%:** Amid Indian equity market seeing massive outflows, Overseas Direct Investments (ODI) by Indian institutions and individuals in April-January period of the current fiscal has exceeded the total of the last fiscal by 15 per cent. *[Business Line]*

**Govt rakes in Rs 4.37 lakh cr via disinvestment since FY15-MoS for finance Pankaj Chaudhary:** Since FY15, the Indian government has raised Rs 4,37,442 crore through disinvestment, with Rs 3,30,049 crore from minority stake sales in state-run firms and Rs 69,412 crore from strategic sales. Eighteen CPSEs, including Life Insurance Corporation of India, have been listed since then, and disinvestment continues as an ongoing process influenced by various economic factors. *[The Economic Times]*



## Trade Policy and Competitiveness

**Indian industry seeks shield from US tariff, pushes for trade pact:** Ahead of the implementation of reciprocal tariffs by the US on April 2, the Indian industry has urged the government to protect it from the impact of such levies, according to sources. *[Business Standard]*

**The real culprit on trade-China, not Trump, broke trading system:** American President Donald Trump's tariff rampage appears to have fatally wounded the global trading system. The United States' (US) mercurial President declared during his campaign last year that "tariffs" were his favourite word, and his actions in office seem to indicate that, on this occasion at least, he was telling the unvarnished truth. *[Business Standard]*

**Structure trade deal with US to promote bilateral trade in solar components-ISM:** Pointing to the ongoing discussions on solar tariffs and trade cooperation between India and the US, the Indian Solar Manufacturing Association (ISMA) on Monday wrote to the Government of India requesting it to structure the trade agreement in a way that will encourage bilateral trade in solar components and safeguard the market from unfair trade practices. *[Business Line]*

**India poised to become major driver for global trade, ranks third after US and China:** India is set to become a major driver of global trade growth over the next five years, ranking third in terms of absolute trade expansion, according to the DHL Trade Atlas 2025 report. *[Business Line]*

**Manufacturing sector must not rely on tariffs for cover-India Inc:** India's manufacturing sector must focus on competitiveness and scale rather than rely on tariffs for protection, senior India Inc executives said on Tuesday. *[Business Standard]*

**US agrees to WTO consultations with Canada on steel, aluminium tariffs:** The US has agreed to hold consultations with Canada at the WTO on its complaint over 25 per cent duties imposed by the Trump regime on all steel and aluminum imports, according to recent WTO submissions made by the country. *[Business Line]*



## Corporate Governance

**Firms with Rs 250 cr turnover rush to join TReDS before March 31 deadline:** Companies with annual turnover of Rs 250 crore are making a beeline to register on Trade Receivables Discounting System (TReDS) platform to comply with MSME ministry's deadline of March 31. *[Business Standard]*

**Standing committee on finance calls for greater transparency in CSR spending and monitoring:** The Standing Committee on Finance headed by BJP MP Bhartruhari Mahtab has urged the Ministry of Corporate Affairs (MCA) to establish a more comprehensive reporting and monitoring framework to ensure greater transparency in Corporate Social Responsibility (CSR). *[Business Line]*

**India Inc unlocks value through demergers:** India Inc is increasingly opting for demergers to unlock value, with companies like ITC, HUL, Raymond, and Vedanta streamlining operations and offering growth opportunities in non-core businesses. *[Financial Express]*

**JSW Infra acquires pipeline business from JSW Utkal Steel for Rs 1,617 cr:** JSW Infrastructure on Wednesday said it has completed the acquisition of slurry pipeline business from JSW Utkal Steel Ltd for around Rs 1,617 crore. *[Business Standard]*

**High-Level Committee to review corporate governance norms at SEBI:** The Securities and Exchange Board of India (SEBI), at its board meeting on Monday, decided to constitute a High-Level Committee to undertake a comprehensive review of conflicts of interest and disclosures by its board members. *[Business Line]*



## MSMEs and Start-ups

**MSMEs aren't one-size-fits-all- Secretary calls for tailored policies:** The central government is pushing for policy reforms specific to the unique problems and demands of various segments of micro, small and medium enterprises (MSMEs) without viewing them as a homogeneous sector. *[Business Standard]*

**Startup funding rounds get bigger as investors back seasoned founders:** Investors are writing bigger checks for early-stage startups, a shift driven by experienced founders, longer product-market fit cycles, and a maturing venture ecosystem. *[Business Standard]*

**MSMEs most affected by regulations; must address their challenges in clusters- NITI Aayog CEO:** BVR Subrahmanyam, CEO, NITI Aayog on Wednesday noted that Micro, Small and Medium Enterprises (MSMEs) are most affected by regulations and MSMEs cannot exist in isolation and that their challenges must be tackled in clusters and groups. *[The Tribune]*

**Govt notifies revisions to investment, turnover criteria for MSMEs-to take effect from April 1:** The government has notified significant revisions to the turnover and investment criteria for classifying MSMEs, which will come into effect from April 1. Micro, Small, and Medium Enterprises (MSMEs) with investments up to Rs 2.5 crore will now be classified as micro-enterprises, up from the previous threshold of Rs 1 crore. *[Financial Express]*



## Employment and Industrial Relations

**PFRDA issues regulations for implementation of Unified Pension Scheme:** The Pension Fund Regulatory and Development Authority (PFRDA), through a gazette notification dated March 19, 2025, has issued regulations for the operationalisation of the Unified Pension Scheme (UPS) under the National Pension System (NPS), 2025. *[Business Standard]*

**Jobs in India's ITeS sector likely to grow by 20% in 2025:** India's ITeS (Information Technology and Enabled Services) sector is poised for significant expansion in 2025, with job opportunities projected to surge by 20 per cent, according to a report. *[Business Standard]*

**India's renewable energy sector sees job surge, but attrition remains a challenge:** India's renewable energy sector aims for 500 GW capacity by 2030, creating more jobs despite a slower hiring pace this year. Youth dominate the sector, with high demand for engineering, project management, and solar and wind energy roles. *[The Economic Times]*



## Industrial Finance

**Centre disbursed Rs 14,020 crore for 10 sectors so far under PLI schemes:** The government has disbursed Rs 14,020 crore under Production-Linked Incentive schemes for ten sectors, including electronics and pharma, since the launch of the support measure to boost domestic manufacturing. *[Business Standard]*

**Unicorn India Ventures to close Rs 1,000 crore fund III by July:** Unicorn India Ventures plans to close its Rs 1,000 crore Fund III by July, focusing on deeptech sectors like semiconductor, spacetechnology, and SaaS startups. *[Financial Express]*

**Fintech NBFCs sanctioned 83 mn loans in first 3 quarters of FY25:** Fintech non-banking financial companies (NBFCs) sanctioned 83 million loans amounting to Rs 81,365 crore in the first three quarters of financial year 2025 (FY25), data from the Fintech Association for Consumer Empowerment (FACE). *[Business Standard]*



## Technology and Innovation

**Indian edtech sector rides the AI wave as upskilling gains momentum:** The Indian edtech sector is experiencing a surge in demand for artificial intelligence (AI) courses, mirroring global trends. As AI becomes central to upskilling, a growing number of learners — from seasoned professionals to school students — are eager to explore and experiment with technology. *[Business Standard]*

**Turbostart invests \$1 mn in Lighthouse PropTech's \$2.5 mn funding round:** Bengaluru-based Turbostart, a global early-stage venture capital firm, has announced a \$1 million investment in Lighthouse PropTech as part of a \$2.5 million funding round. *[Business Standard]*

**OpenAI, Meta in talks with Reliance for AI partnerships in India:** OpenAI and Meta Platforms have held separate discussions with India's Reliance Industries over potential partnerships to expand their artificial intelligence offerings in the country, technology news website The Information reported on Saturday. *[Business Standard]*

**Regulators must adapt as technology changes the insurance landscape:** Insurance is changing as companies use artificial intelligence (AI), Internet of Things (IoT), and blockchain. With the emergence of such technological innovations in the insurance value chain, regulators have to manage new questions and challenges. *[Business Standard]*

**Pharma leveraging AI:** The pharmaceutical industry is well-known for its extensive research, intricate processes and systems, and application of cutting-edge technologies. Artificial Intelligence (AI) is acting as a transformational force through various applications including drug discovery, clinical trial optimisation, disease identification and diagnostics. *[Business Line]*

**Nexthop AI launches with \$110 mn in funding led by Lightspeed Venture:** Nexthop AI, the company building the next generation of artificial intelligence (AI) infrastructure for cloud companies, launched from stealth today with \$110 million in funding led by Lightspeed Venture Partners. *[Business Standard]*



## Industrial Infrastructure, Clusters and SEZs

**Going local for global-Bharat Global Ports to test waters at home first:** The government is looking to give Bharat Global Ports a certain amount of domestic exposure after it set up the state-owned consortium to increase India's global maritime heft, officials aware of the development said. *[Business Standard]*

**Adani Group seeks land from Guj govt for SEZ in Ahmedabad & township in Gandhinagar:** Adani Group has sought land parcels from Gujarat government for setting up a new Special Economic Zone (SEZ) in Ahmedabad and a township in Gandhinagar, states information tabled by the government in Gujarat legislative assembly. *[Business Line]*

**Panel calls for urgent attention on geopolitics-borne shipping challenges:** Amid constant maritime threats arising out of geopolitical developments and a recent container crisis, the parliamentary standing committee on transport, tourism and culture on Tuesday called for immediate attention to the disruption in container logistics and asked the shipping ministry to work on a solution. *[Business Standard]*

**NHAI's NHIT hits Rs 18,380 crore mark in record InvIT monetisation:** National Highways Infra Trust (NHIT), the Infrastructure Investment Trust (InvIT) of the National Highways Authority of India (NHAI), has concluded the largest round of monetisation in the highway sector at Rs 18,380 crore. *[Business Standard]*

**CPP Investments to invest Rs 2,080 cr in National Highways Infra Trust:** The Canada Pension Plan Investment Board (CPP Investments) has announced a follow-on investment of Rs 2,080 crore (C\$346 million) in the units of National Highways Infra Trust (NHIT), an infrastructure investment trust (InvIT) sponsored by the National Highways Authority of India (NHAI). *[Business Standard]*



## Sustainable Industrialisation

**Andhra Pradesh bags nearly Rs 4 trillion green investments in 8 months:** Andhra Pradesh has emerged as a leading destination for renewable energy (RE) investments, attracting around Rs 4 trillion from national and international players in eight months, mainly due to its Integrated Clean Energy Policy aimed at establishing the state as a green energy hub. *[Business Standard]*

**Wind power generation clocks zero growth in 10 months; solar generation sees 22% rise:** Large wind power generating States like Gujarat (1.71 percent increase), Tamil Nadu (1.4 percent) and Karnataka (23 percent) generated more wind power than the previous year. *[Business Line]*

**Renewable sector poised for third consecutive year of record capacity addition:** In a boost for the country's renewable energy ambitions, the sector is on track to achieve a record capacity addition for the third consecutive year. *[Business Line]*

**RE sector hiring to grow at 19% in FY25:** India's renewable energy sector to grow jobs by 18.9% in FY25, driven by government policies and rising demand for tech-driven roles in solar, wind, and hybrid energy. *[Financial Express]*



## Sectoral News

**A milestone- India's coal output crosses a billion tonnes in 2024-25:** In a significant milestone, India crossed the record annual coal output of 1 billion tonnes (bt) on Thursday to hit 1.03 bt, constituting a 5.24 per cent uptick over the total production of 953.3 million tonnes in 2023-24. *[Business Standard]*

**Steel PLI 1.1 gets 42 applications from 25 companies, ₹17,000 cr investment commitment:** The Steel Ministry's second round of PLI has seen 25 companies submit 42 applications, committing investments worth ₹17,000 crore. *[Business Line]*

**Will safeguard duty help expand capacity in India's steel industry?:** The "weaponisation" of economic activity — through tariffs and sanctions — is now a reality, with countries leveraging these tools strategically, External Affairs Minister S Jaishankar said at the Raisina Dialogue recently. *[Business Standard]*

**Textiles set for revival in FY25 on stable cotton, stronger RMG exports:** The textile industry is expected to recover this financial year after two years of contraction, driven by stable cotton prices, improving exports of readymade garments (RMG) and steady domestic demand. [*Business Standard*]

**Cement industry's revival? Brokerages predict growth surge:** Analysts are positive on the cement sector, on the back of structural cost savings, price stabilization after an 8 per cent decline in 9MFY25, and sector consolidation led by UltraTech Cement and Ambuja Cement. [*Financial Express*]

**Indian auto ancillaries are looking for new markets because of overhang of US tariffs:** The Indian auto component industry faces export challenges due to US tariffs, demand weakness in the Middle East, and a European slowdown, according to a report by DAM Capital Advisors. Indian manufacturers are seeking new clients to offset these issues. [*The Economic Times*]

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