

Industry Matters

Weekly Updates

April 11, 2025



Economy, Industry and Policy

Moody's Analytics cuts India's 2025 growth forecast by 30 basis points citing US tariff impact: Moody's Analytics has downgraded India's growth forecast for 2025 by 30 basis points to 6.1% from the baseline it forecast in March, following the latest announcement of U.S. tariffs. *[The Economic Times]*

UBS slashes India's GDP forecast to 6% as Trump tariff timebomb clouds India's growth prospects: After Reserve Bank of India, UBS slashed its GDP forecast for India to 6% from 6.3% for FY26, as Asia's third largest economy braces for a nearly 20 bps hit after Trump's 26% tariffs. *[The Economic Times]*

New CPI series from February 2026 to include rural housing inflation: The new consumer price index (CPI) series will measure housing inflation in rural areas, in tune with shifting consumption patterns and emergence of rental markets beyond urban centres. *[Business Standard]*

Cabinet approves Rs 1,878 crore highway and Rs 1,332 crore railway projects: The Cabinet Committee on Economic Affairs approved major infrastructure projects, including a ₹1,878 crore six-lane highway and ₹1,332 crore railway projects in Punjab, Haryana, Andhra Pradesh, and Tamil Nadu. *[The Economic Times]*

RBI proposes new regulations for export, import transactions under Fema: The Reserve Bank on Friday came out with revised draft regulations that cover export and import transactions under FEMA with an aim to promote ease of doing business. *[Business Standard]*

Government e-marketplace facilitates over ₹38,500 crore transactions for startups: The government e-marketplace (GeM) has enabled over ₹38,500 crore in transactions for 30,000+ startups, reinforcing its position as a true catalyst in India's innovation ecosystem, the Ministry of Commerce & Industry said in a statement on Sunday. *[Business Line]*

ADB revises India's FY26 growth forecast to 6.7% amid US tariff risks: The Asian Development Bank [ADB] on Wednesday trimmed its growth forecast for India's economy in FY26 to 6.7 per cent from 7 per cent earlier, citing risk from US tariff levies. *[Business Standard]*

Regulatory easing to support 10.8% credit growth in FY26-Icra: The incremental credit is likely to rise 10.8 per cent to Rs 19-20.5 trillion in the current fiscal compared to Rs 18 trillion or a 10.9 per cent growth in 2024-25, according to rating agency Icra. *[Business Standard]*



Foreign Investment

Indian firms in FDI-ban sectors can issue bonus shares to existing NRIs: The government on Monday clarified that any Indian company engaged in a sector where foreign direct investment (FDI) is prohibited can issue bonus shares to its pre-existing non-resident shareholders. *[Business Standard]*

ITC to benefit as govt relaxes FDI rules for 'prohibited' sectors: The Indian government relaxes FDI rules, allowing companies in prohibited sectors like tobacco to issue bonus shares to foreign investors without increasing their stake. ITC Ltd, with BAT's stake, benefits from this change. *[Financial Express]*



Trade Policy and Competitiveness

Experts call for faster India-US trade talks to unlock market potential: India should accelerate discussions for the proposed bilateral trade agreement with the US as the deal could help secure preferential market access, improve investor protections, and encourage technology partnerships between the two countries. *[Business Standard]*

India's exports to US may decline by \$5.76 bn due to high tariffs-GTRI: India's merchandise exports to the US from sectors such as marine items, gold, electrical, and electronics are expected to decline by \$5.76 billion this year due to increased American duties, according to the data analysis. *[Business Standard]*

India eyes export gains as US-China trade war opens market opportunities: India's commerce ministry is identifying export opportunities arising from the US-China trade war. A 90-day pause in reciprocal tariffs gives Indian exporters time to share added costs with buyers. With the US imposing steep tariffs on China, Indian sectors like textiles, footwear, and food see potential to gain market share. However, Chinese competition in non-US markets remains a concern. *[The Economic Times]*

No FTA with US please! GTRI calls for zero-to-zero trade deal after 90-day tariff pause: The Global Trade Research Initiative (GTRI) has suggested that India should avoid signing a comprehensive Free Trade Agreement (FTA) with the US, instead considering a limited "Zero-to-Zero" tariff deal on 90% of industrial goods. *[The Economic Times]*

India's exports cross \$820 bn in 2024-25-Commerce ministry: India's goods and services exports exceeded USD 820 billion in 2024-25, marking a nearly 6% growth over the previous year, despite global uncertainties. *[The Economic Times]*

US tariffs-Recessionary phase not ruled out in key economies, says Montek: The rise in tariffs will raise prices in major economies and trigger an economic slowdown, possibly even prompting a recessionary phase, says Montek. *[Business Standard]*

Developed nations easing stance on non-trade issues in FTA talks: Developed countries are indicating that they are ready to proceed with negotiations for proposed free trade agreements (FTAs) without insisting much on the inclusion of non-trade issues like sustainability and climate obligations, according to sources. *[Business Standard]*

US tariffs-Manufacturing, retail growth for IT companies may take a hit: The imposition of US tariffs is expected to significantly dampen growth prospects for Indian information technology (IT) companies in key sectors such as manufacturing, retail, and consumer packaged goods (CPG) in the US, at least in the short term. *[Business Standard]*

IMF, WTO warn of serious threat to global outlook due to Trump's reciprocal tariffs: Top multilateral economic institutions, the International Monetary Fund and the World Trade Organisation, have warned that the reciprocal tariff measures announced by US President Donald Trump pose a serious threat to global outlook and world trade. *[Business Line]*

More R&D, easier labour laws needed to counter Trump's tariffs, say experts: The key question from the Trump tariffs, with its seeming emphasis on re-industrializing America, seems to be whether India will be able to leverage the ensuing chaos to also push up domestic manufacturing. *[Business Standard]*



Corporate Governance

MCA proposes wider scope for fast track M&As under present rules: MCA has proposed that unlisted cos which have reasonable debt exposure of less than Rs 50 cr and have not defaulted on repayment can go through the fast track mechanism under Sec 233 of Companies Act. *[Business Standard]*

Adani Enterprises to launch world's largest copper smelter in four weeks: India's Adani Enterprises Ltd is preparing to start up a major copper smelter in the next four weeks, said the company's head of metals, Felipe Williams. *[Business Standard]*



MSMEs and Start-ups

MSMEs show optimism in sales, jobs, green investments and resilience on profitability: SIDBI's MSME Outlook Survey for Q4 FY25 reveals optimistic sentiments among MSMEs, driven by improved business conditions. Despite global uncertainties, MSMEs plan for capital expenditure, employment generation, and sustainable practices, highlighting their resilience and commitment to economic progress. *[The Economic Times]*

Nanotech startup Vimano raises Rs 25 cr in seed round led by Ankur Capital: Vimano's membranes can reshape how energy is stored across multiple formats, with green hydrogen alone projected to grow nearly 10-times to over \$60 bn by 2030, according to the investor Ankur Capital. *[Business Standard]*

Indian startups respond to Piyush Goyal's ecosystem comment: The Indian startup community responded to comments from Union Minister of Commerce and Industry Piyush Goyal, who had reprimanded the ecosystem for its focus and priorities. *[Business Standard]*

Why Indian startups are stuck in delivery while China races ahead in deep tech: India's startup ambitions faced intense scrutiny this week—not from foreign analysts but from within the country. Speaking at the Startup Mahakumbh 2025, Union Commerce Minister Piyush Goyal questioned the direction of India's booming entrepreneurial sector. *[Business Standard]*



Employment and Industrial Relations

Finance ministry to study EPFO, global models for UPS investment plan: The finance ministry will examine global best practices and draw insights from the Employees' Provident Fund Organisation (EPFO) investment experience before finalising its strategy for investing the government's contribution under the Unified Pension Scheme (UPS), which came into effect on April 1. *[Business Standard]*

States want eighth Central Pay Commission to pay heed to their views: States are urging the upcoming eighth Central Pay Commission to consider their perspectives alongside the Centre's before finalizing recommendations. Several states have already submitted inputs, highlighting the broader economic impact of pay revisions on state finances, public sector undertakings, and pension bills. *[The Economic Times]*

India's unemployment rate rises to 3.2% in 2024, driven by women leaving workforce: India's unemployment rate inched up to 3.2% in 2024 from 3.1% in the previous year, driven largely by more women leaving the workforce. *[The Economic Times]*



Industrial Finance

NABARD extends Rs 5,830 cr assistance to Jharkhand in FY25 to augment rural infra: The National Bank for Agriculture and Rural Development (NABARD) on Friday said it has extended record assistance of Rs 5,830 crore to Jharkhand in the just concluded fiscal to boost rural infrastructure. *[The Economic Times]*

Lenders add nearly 25,000 beneficiaries under Tarun Plus category of Mudra Yojana: Lenders have added about 25,000 beneficiaries under the Tarun Plus category of PM Mudra Yojana (PMMY) in a 4-month short period of FY25 where borrowers were given enhanced loans up to Rs 20 lakh. *[The Economic Times]*

MMRDA secures Rs 4.07 lakh crore in credit lines from key Indian financial institutions: The Mumbai Metropolitan Region Development Authority (MMRDA) has signed non-binding lines of credit worth Rs 4.07 lakh crore or about \$48 billion with key financial institutions to accelerate infrastructure development in the Mumbai Metropolitan Region (MMR). *[The Economic Times]*



Technology and Innovation

\$20 bn IT contracts up for renewal amid GenAI wave, global uncertainties: India's top six information technology (IT) services players, along with Nasdaq-listed Cognizant Technology, have deals worth at least \$20 billion up for renewal this year, according to people familiar with the matter. Deals worth \$14 billion were renewed in 2024. *[Business Standard]*

AI startup landscape in India faces tech depth woes, talent drain: Experts in India's artificial intelligence (AI) startup ecosystem fear an overuse of the AI label by companies, which see it more as an efficiency layer rather than a core innovation driver. *[Business Standard]*

IBM to set up AI-focused Software Lab in Lucknow to boost tech, jobs: US IT company IBM plans to establish a Software Lab in Lucknow focused on advancing Generative and agentic AI technologies, the company said on Tuesday. *[Business Standard]*

Focus should be on product-led innovation models- Meity Startup Hub CEO: Stressing on the need to focus on research and development (R&D), Panneerselvam Madanagopal, chief executive officer (CEO) of Meity Startup Hub, on Saturday said that startups should move beyond service-driven models and prioritise building deep, product-focused businesses that foster lasting innovation. *[Business Standard]*

India must innovate, not become tech colony of others-Amitabh Kant: India has to maintain its sovereignty in technology and build its own “end-to-end artificial intelligence (AI) ecosystem”, said Amitabh Kant, the country’s G20 Sherpa, on Friday. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Centre announces major infrastructure boost for Tripura and Odisha under PM-JANMAN: The Ministry of Rural Development has approved road and bridge projects in Tripura and Odisha to improve connectivity and boost growth under PM-JANMAN. The projects aim to provide all-weather road connectivity to Particularly Vulnerable Tribal Groups, enhancing socio-economic conditions and access to essential services. *[The Economic Times]*

Arkade Developers gets redevelopment project in MMR with GDV of Rs 865 cr: Arkade Developers has secured the rights for the cluster redevelopment of four housing societies in Borivali, in the Mumbai metropolitan region (MMR), with an estimated gross development value (GDV) of Rs 865 crore. *[Business Standard]*

MMRDA secures lines of credit worth Rs 4.07 trillion to develop MMR's infra: The Mumbai Metropolitan Region Development Authority (MMRDA) has signed non-binding lines of credit worth Rs 4.07 trillion (approximately \$47.40 billion) with various Indian financial institutions for infrastructure development in the Mumbai Metropolitan Region (MMR). *[Business Standard]*



Sustainable Industrialisation

Tesla's entry will boost India EV market, competition not a concern-BMW: The group, which sold a total of 1,249 units of electric cars in India across two brands, BMW and MINI has already sold 646 units in the first quarter of 2025. *[Business Standard]*

L&T incorporates arm to develop green hydrogen projects: Larsen & Toubro’s subsidiary, L&T Energy Green Tech Ltd, has established L&T Green Energy Kandla Pvt Ltd aimed at developing green hydrogen projects, including derivatives like green ammonia. *[The Economic Times]*

Draft EV Policy 2.0 recommends phasing out of CNG-driven autorickshaws in Delhi: Delhi's upcoming EV Policy 2.0 proposes phasing out CNG autorickshaws, with no new registrations after August 15th. Existing CNG permits won't be renewed, replaced by e-auto permits. The policy targets fossil fuel vehicles used for waste management and city buses, mandating a complete electric transition by 2027. *[The Economic Times]*

BPCL to form JV with Sembcorp for green hydrogen projects: BPCL and Sembcorp have formed a joint venture to explore green hydrogen, renewable energy, and green ammonia projects in India. The partnership aims to support India's climate goals and BPCL's target of achieving net-zero emissions by 2040. *[Financial Express]*



Sectoral News

India's medtech industry goes local to develop high-end equipment: According to the Department of Pharmaceuticals' annual report for 2024-25, India imported medical devices worth \$8.1 billion, while exports stood at \$3.7 billion in the financial year 2023-24 (FY24). *[Business Standard]*

Indian steel companies evaluating possible impact of US reciprocal tariffs: Domestic steel players are evaluating the possible impact of reciprocal tariffs imposed by the US administration, saying it is premature to comment on the development. *[Business Standard]*

Toy industry ready to take advantage of high US tariffs on competitors like China, Vietnam: While the US has imposed an additional 26% import duty on India, its competitor Vietnam is facing 46% tariff, Bangladesh 37%, China 54%, Indonesia 32% and Thailand 36%. *[Business Line]*

India's PLI Scheme for Electronic Components-A Game Changer for Local Manufacturing and Global Ambitions: India's new \$2.7 billion PLI scheme aims to boost local electronics manufacturing by reducing import reliance, creating jobs, and driving innovation in core components like PCBs, displays, and semiconductors. A game-changer for India's electronics industry and global ambitions. *[Financial Express]*

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