

# Industry Matters

Weekly Updates

April 18, 2025



## Economy, Industry and Policy

**Growth risks to nudge RBI towards deeper rate cuts-economists:** The Reserve Bank of India's rate-cutting cycle could be deeper than expected as downside risks to growth and a benign inflation outlook could prompt the central bank to be more accommodative, economists said. *[Business Standard]*

**Govt working on scheme to promote new exporters, markets, products:** With an eye on the goods exports target of \$1 trillion by 2030 the government is working on a scheme to encourage new entities, including start-ups, get into exports and also promote new markets and products, sources said. *[Business Line]*

**US tariff impact on India's GDP just 0.1%-PHDCCI:** Industry body PHDCCI on Sunday said that the reciprocal tariffs imposed by US President Donald Trump will impact only 0.1 per cent of the Indian GDP, exuding confidence in price competitiveness and continued government support. *[Business Line]*

**Outlook gloomy for corporate share in direct tax mopup:** Companies may foot less of the tax bill for some time yet. The corporate share of net direct tax collections has been lower in 2024-25 than in previous years. The corporate segment accounted for 45.6 per cent of total net direct tax collections as of March 16, compared to 48.1 per cent on the same date in 2023-24 (FY24). *[Business Standard]*

**Deposit interest rate cuts likely to be moderate in current cycle:** The cut in deposit interest rates during the current easing cycle is expected to be moderate compared to the previous one because the highest cut in the policy repo rate is anticipated to be about 100 basis points (bps), as against 250 bps in the previous cycle. *[Business Standard]*

**Investing into the slowdown-Industry optimism defies weak signals:** The Reserve Bank of India cut its growth forecast in its latest policy meeting, but in some ways Indian industry seems remarkably optimistic. *[Business Standard]*

**US-China tariff war opens door for India to emerge as global toy export hub:** As the US-China tariff war intensifies, the Indian toy industry leaders are calling the situation a "golden opportunity" to position India as a major export hub for toys, especially to the United States, a trade body official said on Sunday. *[Business Standard]*

**Pradhan Mantri Mudra Yojana-Beyond the decadal journey to empower India:** It is universally acknowledged that micro, small and medium enterprises (MSMEs) form the backbone of the Indian economy. It is estimated that MSMEs contributed about 30.1 per cent to the country's gross value added (GVA) in 2022-23, while their contribution to India's total exports was 45.79 per cent in 2024-25. *[Business Standard]*

**India must watch out for GDP growth with third chance at doorstep:** With every passing day, the outcome of the global tariff war grows harder to predict. One thing is clear, though — it will have significant repercussions for India. Policymakers must find ways to limit the damage to growth — and explore how to turn this setback into an opportunity. *[Business Standard]*



## Foreign Investment

**India's outward FDI up 20% at \$5.81 bn in March 2025-RBI data:** India's outward foreign direct investment (FDI) commitments rose about 20 per cent to \$5.81 billion in March 2025, up from \$ 4.84 billion the same month last year. Sequentially, they rose marginally from \$5.57 billion in February, according to data from the Reserve Bank of India (RBI). *[Business Standard]*

**Govt not encouraging Chinese FDI-Piyush Goyal clarifies policy stance:** India does not intend to encourage foreign direct investments (FDI) from China, Commerce and Industry Minister Piyush Goyal said on Friday, indicating New Delhi's intentions of not easing overseas investment curbs imposed on the neighbouring country in 2020. *[Business Standard]*

**Trump tariff impact-Chinese giants like Haier, Shanghai Highly agree to minority stakes under Indian FDI norms:** Shanghai Highly Group and Haier are among Chinese companies that have become more amenable to abiding by Indian conditions for expanding in the country, said people with knowledge of the matter. *[The Economic Times]*

**Unplug China, plug into India-Centre looks to attract US cos planning to exit China:** India is moving swiftly to identify and woo US companies looking to relocate their manufacturing from China, to capitalise on an expected global supply chain realignment across sectors including electronics, toys and pharmaceuticals amid an escalating Sino-US tariff war. *[The Economic Times]*



## Trade Policy and Competitiveness

**Make in India to make India stronger: Trade policies, strategy must align:** Donald Trump's trade tantrums to Make America Great Again have upset the global trade regime. His principal target is China. Some countries are scrambling to strike deals with the US. India's negotiators must be guided by a long-term strategy to build depth in the country's own industrial capabilities, which have lagged far behind China's. *[Business Standard]*

**Sectoral trade talks between India-US to begin virtually this week:** Even as Washington eyes '90 (trade) deals in 90 days', India and the US are set to launch virtual sector-specific discussions on a proposed trade agreement – with an aim to finalise, by May-end, areas where negotiations can be swiftly concluded. *[Business Standard]*

**India unlikely to raise dispute against US at WTO over reciprocal tariff:** India is unlikely to launch a dispute at the World Trade Organisation (WTO) against the United States over reciprocal tariffs, as both sides are currently engaged in negotiations aimed at reaching a trade deal. *[Business Standard]*

**Zero-for-zero tariff under proposed India-US BTA unlikely:** A 'zero-for-zero' tariff strategy under the proposed bilateral trade agreement between India and the US is unlikely, as the two countries are at different levels of economic development, official sources said. *[Business Standard]*

**US trade uncertainties to undermine biz confidence, adversely impact growth in Asian region-Moody's:** Uncertainties around the US trade policy will undermine business confidence and consumer sentiment, adversely impacting growth in Asian nations, including India, Moody's Ratings said on Sunday. *[Business Line]*

**Trump trade mayhem-India's options amid rising global uncertainty:** The first fortnight of April saw the world reeling from the aftereffects of reciprocal tariffs announced by US President Donald Trump. The potentially catastrophic impact on financial markets has led to the 90-day pause on the implementation of the reciprocal tariffs, other than on China. *[Business Standard]*



## Corporate Governance

**India Inc makes progress in corporate governance, says IAS study:** A study by Institutional Investor Advisory Services (IIAS) released on Friday highlights steady progress in corporate governance among India Inc. The median governance score for BSE 100 companies remained “good” at 61, with the highest score reaching 82 and the lowest rising to 50. *[Business Standard]*

**Shapoorji Pallonji Group calls for RBI support on Tata Sons public listing:** The Shapoorji Pallonji Group has formally requested the RBI to support a public listing of Tata Sons, emphasizing its potential benefits for all stakeholders. *[The Economic Times]*



## MSMEs and Start-ups

**India's startup failure isn't about ambition, it's about the economy:** India's minister for commerce and industry, Piyush Goyal, set off a firestorm when he noted how dissatisfied he was with the nation's startups, an unusual target for the ire of a government official. His trenchant criticism was both accurate and unfair. *[Business Standard]*

**D2C startup funding in India fell 18% in 2024 to \$757 million:** Indian startups that sell products or services directly to end consumers raised \$757 million in 2024, marking an 18% decline compared with the previous year when they mobilised \$930 million. *[The Economic Times]*

**It's India's fault local startups are trailing China:** Piyush Goyal criticized Indian startups for focusing on consumer-facing services rather than deep tech and manufacturing, contrasting them with Chinese counterparts. While his assessment of the sector's focus is accurate, the blame lies with the Indian government's failure to create a supportive environment for manufacturing and innovation in crucial sectors. *[The Economic Times]*

**MeitY startup hub, startup policy forum partner to bolster tech startups:** MeitY Startup Hub and Startup Policy Forum have joined forces to boost deeptech, AI, and emerging tech in India's startup ecosystem. The collaboration will focus on joint R&D, policy shaping, and knowledge exchange. SPF's partners include DPIIT and IIT-Madras, with members like Swiggy, CRED, Zerodha, Dream11, and OYO. *[The Economic Times]*



## Employment and Industrial Relations

**Swiggy partners with labour ministry to create 1.2 million jobs in 3 years:** The Ministry of Labour and Employment on Tuesday said it has signed a Memorandum of Understanding (MoU) with food delivery platform Swiggy as part of its overall approach to increase job creation through public-private partnership. *[Business Standard]*

**Flipkart ends work from home policy for all employees, asks them to come to office five days a week:** Indian e-commerce major Flipkart has ended its work from home policy for 'all employees', requiring them to be at office for five days a week. *[Mint]*



## Industrial Finance

**JSW Steel to invest ₹50,000 cr for 10 MTPA green steel for Europe:** JSW Steel will be investing over Rs 50,000 crore to create 10 million tonnes per annum of green steel capacity at a plant near the country's financial capital, a top official said on Tuesday. *[Business Standard]*

**Jitendra EV to invest up to ₹125 cr in 5 yrs to boost products, capacity:** Electric vehicle maker Jitendra EV plans to invest up to Rs 125 crore in the next five years on research & development (R&D), product development and enhancing manufacturing capacity, its Co-Founder Samkit Shah said. *[Business Standard]*

**ArcelorMittal Nippon Steel JV draws up big new plan for India, lines up Rs 2.6 lakh crore:** ArcelorMittal Nippon Steel (AM-NS) is readying a massive \$30-billion investment in India over the next decade, aiming to boost steel production capacity to 40 MTPA. *[The Economic Times]*



## Technology and Innovation

**86 pc Indian firms now have GenAI plan, outpacing global trends:** Indian enterprises are taking the lead in adopting Generative AI (GenAI) globally, with 86 per cent of them already having strategy in place, a new report said on Monday. *[The Statesman]*

**Datanomics-R&D spends by India Inc lag global peers despite improvement:** Union Trade Minister Piyush Goyal recently chided India's startups and expressed concern over the quality of innovation by them, comparing them to their Chinese counterparts. *[Business Standard]*

**India can be global hub for IP-led innovation-Accel's Prashanth Prakash:** Asserting that there is "limitless headroom for entrepreneurs", Prashanth Prakash, partner at Accel says the venture capital firm will use its recently announced \$650 million fund over the next two-three years to back start-ups focused on AI and tech-led industrialisation. *[Business Standard]*

**Apple achieves water replenishment goal for India operations in 2023:** iPhone maker Apple has met its replenishment target for freshwater withdrawals for corporate operations in India in 2023, the company said in its environmental progress report released on Wednesday. *[Business Standard]*



## Industrial Infrastructure, Clusters and SEZs

**Road map for efficiency-India must rethink its transport strategy:** A fragmented approach to transport infrastructure planning is a constraint for economic growth and urbanisation. As this newspaper reported last week, the Union government has proposed to establish an interministerial mechanism for integrated transport planning. *[Business Standard]*

**Shipping makes history, finalises a legally binding framework to reduce greenhouse gas emissions:** International shipping, accounting for 3 percent of global greenhouse gas emissions, took a major step towards becoming a net zero industry by or around 2050. The development is historic as shipping is the first industry to finalise a legally binding regulatory framework for reducing emissions. *[The Economic Times]*

**Centre planning Rs 10 lakh cr investment to rewire highways, NE roads will match US standards-Gadkari:** India plans to invest Rs 10 lakh crore in the next two years to strengthen its national highways, with a special focus on upgrading infrastructure in the Northeast region to match US standards. *[The Economic Times]*

**Industrial manufacturing cluster to be established near Hisar airport:** Haryana is set to establish a Rs 4,680 crore Industrial Manufacturing Cluster (IMC) near Hisar's Maharaja Agrasen Airport, spanning approximately 3,000 acres. Developed jointly with NICDC, this project, part of the Amritsar-Kolkata Industrial Corridor, aims to attract Rs 32,000 crore in investments and generate over 10,000 jobs. *[The Economic Times]*



## Sustainable Industrialisation

**Delhi's EV policy may add 20K jobs, boost ecosystem infra-Manjinder Sirsa:** Delhi's electric vehicle (EV) policy 2.0 may generate up to 20,000 jobs and will also set up battery collection centres while establishing a city-wide network of charging and swappable battery stations. *[Business Standard]*

**BC Jindal Group enters RE component space, to invest ₹15K cr by 2030:** BC Jindal Group on Tuesday announced its foray into renewable energy component manufacturing space with a plan to invest Rs 15,000 crore by 2030. *[Business Standard]*

**Tata Power Renewable Energy, NTPC join hands to set up 200 MW green project:** Tata Power Renewable Energy Ltd (TPREL) has signed a power purchase agreement (PPA) with NTPC Ltd to develop a 200 MW clean power project. With this project, its total renewable utility capacity has reached 10.9 GW, TPREL, a Tata Power subsidiary, said in a statement. *[Business Standard]*

**Companies across sectors limit travel, embrace electric cars & eco-certified stays as sustainability gains ground:** Indian companies are embracing sustainable corporate travel, driven by environmental goals and traveler preferences. Firms across sectors like technology and finance are opting for carbon-neutral flights, eco-friendly transport, and green accommodations. *[The Economic Times]*



## Sectoral News

**India can surpass Brazil, China in iron ore output-Vedanta chairman:** India has the potential to overtake Brazil and China to become the world's second largest iron ore producer, Vedanta Group Chairman Anil Agarwal said on Tuesday. *[Business Standard]*

**Macroeconomic trends, geopolitics to shape auto demand in FY26-SIAM:** The automobile industry will closely monitor macroeconomic factors and global geopolitics, which will determine the key demand conditions, and supply chain dynamics in financial year 2025-26 (FY26), Society of Indian Automobile Manufacturers (SIAM) said on Tuesday. *[Business Line]*

**Automotive sector needs robust policy support to compete on global stage-Niti Aayog:** The auto components sector needs strong policy support to overcome structural challenges and foster innovation, according to a report released by Niti Aayog on Friday. *[Business Line]*

**Can India's electronics sector turn tariff heat into global momentum:** While reciprocal tariffs threaten to disrupt India's electronics export ambitions, certain exemptions and evolving geopolitical realignments could serve as springboards for the sector's growth, say industry officials. *[The Economic Times]*

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