

Industry Matters

Weekly Updates

April 25, 2025



Economy, Industry and Policy

India to remain fastest growing economy despite ongoing trade war-MPC member Nagesh Kumar: Nagesh Kumar, an external member of the Reserve Bank of India's (RBI's) Monetary Policy Committee (MPC), told Moneycontrol in an interview that India may come out in a good shape and is likely to remain fastest growing economy despite ongoing trade war. *[Money Control]*

TCA Anant-How India's statistical system could win the ongoing war of narratives: There has been a persistent narrative about the decline of the Indian statistical system. This is despite the fact that the National Statistical Organisation has introduced new sample surveys and increased the periodicity of older ones. *[Mint]*

India to slow but lead world-IMF: The IMF has lowered India's FY26 growth forecast to 6.2% due to trade tensions and US tariffs, while still projecting India as the fastest-growing economy. *[The Economic Times]*

Patent (Amendment) Rules 2024 may increase litigation, impact health safety of Global South: Dr. Ranga Reddy Burri, President, Infection Control Academy of India, said the evolving patent landscape had far-reaching implications for public health and access to medicines. *[Business Line]*

Recognised startups eligible for various tax exemptions, deductions-IT dept: The income tax department on Friday said DPIIT-recognised startups are eligible for various tax exemptions, and investments made in such companies are eligible for benefits and are not subject to scrutiny. *[Business Line]*

Cost of Borrowing-Centre to substantially benefit in the current monetary policy easing cycle: The Centre may substantially benefit in the current monetary policy easing cycle, with its average cost of borrowing likely to dip below the 7 per cent level in FY26 after staying at or above this level in the preceding three years. *[Business Line]*

In transit-₹2,250 cr mission to boost exports amid global uncertainties: In a move to bolster support for exporters, the government has raised duty drawback rates for the gems & jewellery sector and is fast-tracking the implementation of the ₹2,250 crore Export Promotion Mission, aimed at making Indian exports more competitive amid ongoing global uncertainties sparked by tariff wars. *[Business Standard]*

India April business growth hits 8-month high as export orders surge, PMI shows: India's private sector growth rose to an eight-month high in April fueled by robust demand, particularly a surge in foreign orders for manufactured goods. *[The Economic Times]*

Key infra sectors grew 3.8% in March: The output of eight key infrastructure sectors improved a tad to 3.8 per cent in March against 3.4 per cent of February, the government reported on Monday. However, it is lower than 6.3 per cent of March, 2024. *[Business Line]*

India poised to benefit from supply chain realignments-RBI bulletin: India is poised to benefit from supply chain realignments, diversified FDI sources, and engagement with global investors seeking resilience and scale, given its already established trade linkages, said the RBI's April bulletin. *[Business Standard]*

Resetting the base year for CPI-AL/RL likely to impact minimum wages: Nearly four decades since its last iteration, the central government is planning to revise the base year of the consumer price index for agricultural labourers/rural labourers (AL/RL) to better capture price increases experienced by these categories of workers. *[Business Standard]*

India aims to double share of manufacturing in GDP to 23 pc helped by sunrise sectors-FM: India aims to significantly boost its manufacturing sector's contribution to GDP from 12% to 23% in the next two decades, prioritizing job creation and economic expansion. The focus is on 14 sunrise sectors, including semiconductors and renewable energy, supported by production-linked incentives. *[The Economic Times]*

About 91% of Central govt's investment in FY25 focused on five key sectors- Bank of Baroda: Nearly 91 per cent of the central government investments, worth Rs 6.8 lakh crore, were focused towards the five key sectors of the economy in the year 2024-25. *[The Economic Times]*



Foreign Investment

Repatriation drags down net FDI to \$1.5 billion in Apr-Feb-RBI bulletin: Net foreign direct investment (FDI) into the country declined sharply to \$1.5 billion during April 2024-February 2025 from \$11.5 billion in the same period a year ago due to higher repatriation and outward FDI from India. *[Business Standard]*

Saudi investments to India have jumped 60x in a decade: In 2014, Saudi Arabia was ranked 47 with \$51 million worth of investments in India, which rose to 39 with an investment of \$316 million in 2019. But in 2020, the investment from Middle Eastern country grew 10-fold to \$3.13 billion, with Saudi Arabia having a 0.6 percent share in India's FDI inflows. *[Money Control]*



Trade Policy and Competitiveness

Indian industry not ready for 'zero-for-zero' tariff deal with US beyond few items: As India readies for talks with the US on an 'early tranche' of the proposed bilateral trade agreement (BTA) this week, the Indian industry has identified just a handful of sectors, such as auto components, apparels & textiles and electronics, where the country could opt for zero-for-zero tariffs where both sides eliminate import duties for each other. *[Business Line]*

India, UK look at resolving pending issues in free trade deal early: India and the UK are looking to resolve pending issues in the bilateral free trade agreement (FTA) as both sides are hoping for early closure of negotiations in goods and services and also the bilateral investment treaty (BIT) being worked out simultaneously. *[Business Line]*

Trade policy uncertainty: The announcement of "reciprocal" tariffs by the Trump administration on April 2, 2025, has created a Schrödinger's cat-like situation — a state of flux, uncertainty and paradox. *[Business Standard]*

Indian firms should avoid re-routing of goods from China to US-GTRI: Domestic exporters should not use India as a destination for re-routing goods originating from high-tariff countries like China to the US. *[The Economic Times]*

India draws up blueprint to reduce over \$40 billion trade surplus with US: India is exploring strategies to reduce its over \$40 billion trade surplus with the US – a key concern for the Donald Trump administration — to fast-track the proposed bilateral trade deal. *[Business Standard]*

Trade war 2.0-Why India must seize its global value chain opportunity now: As US-China tensions reshape global trade, India must reform tariffs, boost ease of doing business, and strike strategic FTAs to attract investment. *[Business Standard]*

India-US trade pact to open new market to American goods, address unfair practices-USTR: US Trade Representative (USTR) Jamieson Greer has highlighted a “serious lack of reciprocity” in US’ trade relationship with India while welcoming the announcement of the terms of reference (ToR) for a bilateral trade agreement (BTA) between the two countries by US Vice President JD Vance and Prime Minister Narendra Modi. *[Business Line]*

J D Vance nudges India to drop non-tariff barriers for US businesses: United States Vice President J D Vance on Tuesday called for deeper energy and defence ties with India, while pressing New Delhi to remove non-tariff barriers and provide greater market access to American businesses. *[Business Standard]*



Corporate Governance

Adani Ports buys Australian coal export terminal in \$2.5-billion non-cash deal: Adani Ports and SEZ officially announced that it has acquired a coal export terminal in Australia in a \$2.4-billion non-cash deal. The company has purchased Abbot Point Port Holdings (APPH), Singapore, from Carmichael Rail and Port Singapore Holdings Singapore (CRPSHPL). *[The Statesman]*

Ampivo AI acquires majority stake in B2B firm Commerce Forever Solutions: Ampivo AI, a provider of multi-modal AI solutions, has acquired a 51 per cent majority stake in Commerce Forever Solutions, a B2B e-commerce operations firm. The strategic acquisition is aimed at expanding Ampivo AI's footprint in the e-commerce sector by integrating its AI technologies into practical B2B applications. *[Business Standard]*

India's consumer sector ready to rebound, earnings to grow by 13 pc in FY26: UBS Report: India's consumer sector is showing signs of a strong rebound, supported by several positive developments. *[The Economic Times]*



MSMEs and Start-ups

Iron out 'reverse flipping' kinks: Startups tell govt: Startup Policy Forum (SPF), an industry group representing over 50 new-age companies, in a communication to the Ministry of Corporate Affairs (MCA), flagged significant delays and uncertainties many startups continue to face despite recent positive regulatory changes. *[The Economic Times]*

MSMEs to get steel at export parity prices despite safeguard tariff hike: The steel industry has agreed to supply the metal to micro, small and medium enterprises (MSMEs) at rates on par with export prices, a top government official said on Tuesday, allaying concerns that a safeguard duty imposed on certain import products will have adverse impact on small enterprises. *[Business Standard]*

Recognised startups spared Section 68 scrutiny, others under watch-CBDT: The Central Board of Direct Taxes (CBDT) has clarified that startups recognised by the Department for Promotion of Industry and Internal Trade (DPIIT) and compliant with required declarations will not face scrutiny under Section 68 of the Income-tax Act, 1961, for foreign investments. *[Business Standard]*



Employment and Industrial Relations

India to generate 8 mn jobs per year for next 10-12 years-CEA Nageswaran: India has to generate 8 million jobs per year at least for the next 10-12 years and raise the share of manufacturing in GDP as it strives to achieve the vision of becoming a developed country by 2047. *[Business Line]*

EPFO set for digital overhaul with new IT platform by May-June-Mandaviya: The Employees' Provident Fund Organisation (EPFO) is set to undergo a major digital overhaul to enhance services for over 9 crore beneficiaries, with Version 3.0 set to launch by May or June, Union Labour and Employment Minister Mansukh Mandaviya said on Friday. *[Business Standard]*

Net formal job creation under EPFO rises 4% to 1.6 million in Feb: Net formal job creation under the Employees' Provident Fund Organisation (EPFO) rose to 1.6 million in February, marking an increase of 3.99% from February 2024. *[The Economic Times]*

One million gig workers registered on e-Shram portal-Mansukh Mandaviya: The registration of gig workers is an ongoing process, and we're working in line with the Budget announcement. We are likely to register 3-4 million in the next three months," the minister said. *[Business Standard]*

Govt launches monthly unemployment tracker, first data to be out on May 15: The Ministry of Statistics and Programme Implementation will release monthly unemployment data starting May 15, covering January to March. This initiative aims to provide statistically robust and representative data, addressing the current reliance on proxy indicators like EPFO and ESIC figures. *[The Economic Times]*



Industrial Finance

VC funding in India dips to \$2.4 bn in Q1 2025 amid global concerns: Venture Capital (VC) investment in India declined to USD 2.4 billion in January-March 2025 from USD 2.6 billion in the preceding quarter as investors remained wary amid the current geopolitical situation, according to a report by KPMG. *[Business Standard]*

Nabard buys 10% stake in 24x7 Moneyworks to boost rural credit digitisation: This marks Nabard's first-ever investment in a bootstrapped startup, reinforcing its commitment to digital transformation in rural India, the apex rural credit institution said in a statement. *[Business Standard]*

RBI's new liquidity norm to free up \$35 billion, likely boosting credit growth: The Reserve Bank of India's relatively relaxed final guidelines on banks' liquidity coverage ratio (LCR) is expected to free up capital worth up to 3 trillion rupees (\$35.24 billion) that could boost credit growth by as much as 2 percentage points. *[The Economic Times]*

Central, state GST officers detect 25,009 fake firms fraudulently passing Rs 61,545 cr ITC in FY25: Central and state GST officers uncovered 25,009 fake firms involved in fraudulently passing input tax credit (ITC) worth Rs 61,545 crore during 2024-25. Authorities recovered Rs 1,924 crore and arrested 168 individuals. *[The Economic Times]*



Technology and Innovation

Trump govt may press India to give Amazon, Walmart's Flipkart full access to \$125 bn e-comm market: In a renewed push for a 'fast-paced' reciprocal trade agreement, the United States may be pressing India to fully open its \$125 billion e-commerce market to American retail giants like Amazon and Walmart. *[The Economic Times]*

Smartphones become India's top export in first 10 months of FY25-Ashwini Vaishnaw: In a historic achievement, smartphones emerged as India's largest export category in the first 10 months of FY25 — marking a major success story under the government's production-linked incentive (PLI) scheme. *[The Statesman]*

GenAI's role continues to grow in Indian Aviation: GenAI can serve as a key tool to improve engineering and design workflows while bridging the training gaps in India's \$14.7 billion aviation industry. *[Business Line]*

Global laptop brands tap India as China risk grows, PLI gains traction: India's IT hardware manufacturing ambitions are getting a boost, as several international laptop brands begin shifting production from China to local partners. This is driven by growing interest in the ₹17,000 crore Production-Linked Incentive (PLI) scheme, which is now starting to show real momentum after a slow start. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Cochin Shipyard readies to build big: Government-owned Cochin Shipyard Ltd (CSL), one of the largest ship manufacturers in the country, has many projects on hand and eyes a major boost from measures announced in the Union Budget for 2025-26. *[Business Line]*

India's largest cruise terminal starts operations at Mumbai port: Cruise operations at India's first international terminal in Mumbai began Monday with shipping minister Sarbananda Sonowal inaugurating the ₹556-crore facility designed to handle 10,000 passengers per day. *[Business Standard]*

Centre and states announced road infrastructure projects worth over Rs 3.9 lakh crore in FY25: The central and state governments announced a significant investment of Rs 3.9 lakh crore in road infrastructure for FY25, according to a Bank of Baroda report, with a focus on improving connectivity and boosting logistics as part of a larger public sector capital expenditure. *[The Economic Times]*

Mizoram Chief Minister Lalduhoma chairs first meeting of Northeast Economic Corridor task force: Mizoram Chief Minister Lalduhoma chaired the first meeting of the High-Level Task Force on the Northeast Economic Corridor, emphasizing regional cooperation for faster growth. The initiative aims to enhance connectivity, trade, and investment in the Northeastern Region. *[The Economic Times]*



Sustainable Industrialisation

Evren enters into a 300 MW PPA with NTPC: Evren, a platform launched by Brookfield in India, has entered into a 300 MW Power Purchase Agreement (PPA) with NTPC Ltd for supply of firm and dispatchable renewable energy. *[Business Line]*

Adani Green's solar project in Andhra Pradesh gets regulatory clarity: Adani Green Energy Ltd's (AGEL) controversial 7 gigawatt (Gw) manufacturing-linked solar power project in Andhra Pradesh has received the much-needed regulatory clarity over the transfer of 2.3 Gw of capacity from Azure Power. *[Business Standard]*

Renewable energy-Gujarat, Rajasthan account for over half of investments in India since 2020: Solar, Wind, Small Hydro, Large Hydro, Nuclear and Bio energy attracted close to ₹4 lakh crore for the 5 years ended 2024, MNRE data shows. *[Business Line]*

Tata Motors, TPREL to develop 131 MW wind-solar hybrid RE project: Tata Motors and Tata Power Renewable Energy Ltd (TPREL), a subsidiary of Tata Power, have signed a Power Purchase Agreement (PPA) to co-develop a 131 MW wind-solar hybrid renewable energy project. *[Business Line]*

In talks with states for signing PPAs of 40 GW RE capacity-Pralhad Joshi: Union Minister Pralhad Joshi announced India's ambitious renewable energy goals, targeting 50 GW annually to reach 500 GW by 2030, including 292 GW of solar. Talks are underway with states for PPAs for 40 GW of RE projects. *[The Economic Times]*

Govt moots emission reduction targets for energy-guzzling companies: For the first time, India is looking to introduce a compliance mechanism aimed at reducing greenhouse gas (GHG) emissions across four of the country's most energy-intensive industrial sectors – aluminium, cement, chlor-alkali, and pulp & paper. *[Business Standard]*



Sectoral News

Auto exports rise by 19%, driven by demand for PVs, 2Ws & CVs in overseas market: In the Financial Year 2024-25, the automobile exports from India rose by 19 per cent to over 5.3 million units, driven by robust demand for passenger vehicles, two-wheelers, and commercial vehicles in the overseas markets. *[The Statesman]*

Ringings loud-Electronics climbs to third spot on India's export ladder: Electronics has catapulted to become the third-largest export segment from the country, hitting a record high of ₹3.27 trillion (\$38.6 billion) in 2024-25 (FY25), representing growth of 36 per cent over ₹2.41 trillion last year. *[Business Standard]*

Auto component firms bank on localisation, diversification amid tariff woes: With global trade uncertainties rising, Indian auto component manufacturers are focusing on localisation, diversification, and policy support to shield operations and tap fresh export opportunities. *[Business Standard]*

Govt proposes greenhouse gas emission reduction targets for aluminium companies: Leading aluminium manufacturers in India, including Vedanta and Hindalco, face mandatory greenhouse gas emission reductions under draft rules. The Greenhouse Gases Emission Intensity Target Rules, 2025, set specific emission intensity targets for various plants, aiming to achieve India's Net Zero emissions goal by 2070. *[The Economic Times]*

Manufacturing base and cost advantages to make India a leader in global auto component market-NITI Aayog: NITI Aayog's report highlights India's potential to lead the global automotive component market, driven by its growing manufacturing base and cost advantages. Auto component exports surged by 73% since FY21, reaching USD 12.8 billion in FY24, with key destinations being North America and Europe. *[The Economic Times]*

Steel industry's goal should be zero import and net export-PM Modi: Prime Minister Narendra Modi on Thursday urged the Indian steel industry to aim for zero imports and become a net exporter, calling the sector the backbone of the country's vision for a developed India, or Viksit Bharat. *[Business Standard]*

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