

# Industry Matters

Weekly Updates

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## Economy, Industry and Policy

**India's manufacturing PMI hits 10-month high of 58.2 in April, IIP rebounds:** India's manufacturing sector hit a 10-month high in April 2025, despite the HSBC India Manufacturing Purchasing Managers' Index (PMI) only rising slightly to 58.2 from 58.1 in March, according to data compiled by S&P Global. *[Business Standard]*

**India's economy is in good shape despite challenging global environment-CEA Nageswaran:** Chief Economic Advisor (CEA) Dr V Anantha Nageswaran expressed confidence in the economy's resilience and said India's economy is in good shape despite the challenging global environment. *[Business Line]*

**Raising productivity and investment will be the key to accelerate economic growth-NITI Aayog's Suman Bery:** NITI Aayog's vice chairman, Suman Bery, emphasizes that India must enhance productivity and investment, led by private investments and supply-side reforms, to achieve Viksit Bharat by 2047. *[The Economic Times]*

**Sustainable business practices-Navigating India's ESG, energy transition:** The evolution of environmental, social and governance (ESG) disclosure frameworks in India reflects a significant shift towards sustainable business practices and transparency. *[Business Standard]*

**Statsguru-Private sector remains cautious on investment plans in India:** The International Monetary Fund (IMF) recently pointed to lacklustre private-sector investments in India, while the finance ministry cautioned against the global uncertainty making India Inc hold on to its capital formation plans during 2025-26. *[Business Standard]*

**Centre warns industry against transshipment to US; assures clarity on norms:** The Commerce Ministry has cautioned the domestic industry to strictly follow the US 'rules of origin' norms while exporting goods to America, as re-routing products from high-tariff countries without substantial value addition could be classified as transshipment and attract higher duties. *[Business Standard]*

**Govt pushes for agri-export reform, says commerce secretary:** India aims to boost agri-exports by reducing logistical barriers, enhancing global market access, and promoting R&D. Key focus areas include branding, processed food, organic products, and compliance. *[Financial Express]*

**Industrial hum subdued ahead of tariff hikes-Economists say RBI rate cut, domestic policy to support growth after disappointing IP growth:** With the Industrial production (IP) growth for March disappointing at 3 per cent on slower growth in mining and subdued manufacturing growth, economists said that going forward, RBI rate cut, domestic policy is expected to support growth. *[Financial Express]*

**Reconciling PMI with manufacturing growth:** A high frequency indicator watched closely by the market is the Purchasing Managers Index (PMI) for manufacturing. It tells us about whether the manufacturing sector is doing well or not and hence considered to be a quick indicator of industry performance. *[Business Line]*



## Foreign Investment

**India's liberal FDI policy offers major investment opportunities-Deloitte:** India's liberalised foreign direct investment (FDI) policy offers stability, predictability and sector-agnostic investment opportunities for global investors looking to tap into its vast and expanding economy. *[Business Standard]*

**Uttar Pradesh govt plans to tweak GCC policy to attract more FDIs:** Amid the ongoing US-China tariff war and the propensity of multinational companies to explore alternative supply chains in Asia, the Uttar Pradesh government is mulling to tweak its global capability centre (GCC) policy to attract more foreign investment. *[Business Standard]*

**FDI in India's renewable energy sector surges eight-fold during FY21-FY25:** The CEEW-GFC's latest annual edition of its market handbook, released on Tuesday, notes that share of renewable energy (RE) in India's total FDI inflows rose from around 1% in FY21 to about 8% in FY25. *[Business Line]*



## Trade Policy and Competitiveness

**India, Belgium discuss ways to boost bilateral trade, investments:** The two sides also reviewed progress in EU-India Free Trade Agreement (FTA) negotiations, with both parties recognising the need to address tariff and non-tariff barriers to enhance market access. *[Business Standard]*

**India-EU FTA-India demands as much focus on non-tariff barriers as on tariffs:** India has sought as much focus on sorting out non-tariff barriers faced by exporters as on bringing down tariffs to ensure meaningful progress in the ongoing talks on the proposed India-EU Free Trade Agreement (FTA). *[Business Line]*

**Centre consults industry on India-US trade pact, seeks suggestions:** The commerce ministry on May 2 held a comprehensive consultation with the domestic industry on the proposed India-US trade agreement and sought suggestions to further deepen bilateral trade ties in a mutually beneficial manner. *[Business Standard]*

**US trade deal to boost India's position in global trade-Panagariya:** India will come out stronger from the ongoing tariff uncertainty and a bilateral trade deal with the US will place the country "incredibly favourably" in global trading equation, 16th Finance Commission Chairman Arvind Panagariya said. *[Business Standard]*

**What the markets seem to suggest about Trump, tariffs, and optimism:** When American President Donald Trump detonated a trade bomb on April 2, global markets shuddered. The levies, set to bite from April 9, targeted countries with a 10 per cent baseline tariff and a punitive 145 per cent on Chinese goods. Stocks tumbled for four days as investors braced for chaos. *[Business Standard]*

**India offers zero-for-zero tariffs on auto parts, steel from US:** India has proposed eliminating tariffs on steel, auto components, and pharmaceuticals for a specific import quantity in trade negotiations with the US. Beyond that threshold, standard duties would apply. *[The Economic Times]*

**Trade liberalisation on MFN basis with WTO nations to aid India-ADB's chief economist Albert Park:** Asian Development Bank's chief economist Albert Park suggests India's proposed trade liberalization, including tariff reductions with the US, could benefit the nation if implemented on an MFN basis. *[The Economic Times]*



## Corporate Governance

**Govt preparing response to SC verdict on ₹19,700 cr JSW-Bhushan Power deal:** The Centre is reviewing the Supreme Court's order that quashed JSW Steel's ₹19,700 crore resolution plan of Bhushan Power and Steel Ltd (BPSL), and will soon finalise its response, the Department of Financial Services (DFS). *[Business Standard]*

**Corporate affairs ministry to remove 3,300 firms from official records:** The corporate affairs ministry is set to strike off the names of more than 3,300 companies from the official records after receiving applications for removal of their names. *[Business Standard]*



## MSMEs and Start-ups

**NITI Aayog proposes easing eligibility for loan subsidy for MSMEs:** Government think tank NITI Aayog has pitched for relaxing eligibility criteria for schemes that offer subsidies for capital and interest on loans at the state level to enhance competitiveness of micro, small and medium enterprises (MSMEs) in the country. *[Business Standard]*

**Compliance-first strategy key for Indian MSMEs to effectively navigate Trump's tariffs-Avalara's Dulles Krishnan:** Indian businesses, especially MSMEs, need to proactively conduct compliance audits, seek expert counsel and invest in tax automation tools to navigate the current volatile environment, says Dulles Krishnan, VP, Go-To-Market - India, Avalara. *[The Economic Times]*

**UK access to India's procurement may hurt MSMEs, Make in India, warns GTRI:** Economic think tank GTRI on Wednesday said allowing UK firms to participate in India's central government procurement tenders could crowd out MSMEs, which rely heavily on protected access to such contracts. *[Business Standard]*



## Employment and Industrial Relations

**Process review likely for firms surrendering EPFO exemption:** The Labour Ministry plans to revise rules for employers surrendering EPFO exemptions. This aims to protect workers' interests and speed up the process. A committee will review procedures to ensure transparency and prevent fraud. The goal is faster processing of applications. *[The Economic Times]*

**EPFO to fast-track applications seeking pension on higher wages:** The EPFO is set to expedite the processing of higher wage pension applications, aiming for disbursement by year-end. To manage the workload, the organization will dedicate regional offices, deploy additional staff, and prioritize unexempted establishments. *[The Economic Times]*



## Industrial Finance

**Fintech-focused VC firm QED Investors eyes India in \$300 mn Asia push:** Fintech-focused venture capital firm QED Investors is planning to invest \$250 to \$300 million in startups upto Series C rounds in Asia over the next five years, with India set to receive a major share in the planned investments. *[Business Standard]*

**Mudra loans power millions of small businesses, fuelling India's growth:** By expanding the list of beneficiary businesses, the scheme is increasing support for micro and small enterprises and helping India in achieving its ambition to become a \$5 trillion economy. *[Business Standard]*

**NBFCs will continue to grow at a faster pace, have grown above India's GDP historically:** A new report suggests Non-Banking Financial Companies are expanding faster than India's economy. These companies are crucial in retail and rural lending. Their assets have significantly increased over the years. *[The Economic Times]*



## Technology and Innovation

**CII releases guidebook on adoption, governance of AI for board leaders:** Industry body CII has released a 'guidebook on effective adoption and governance of AI for board leaders', amid the rising use of Artificial Intelligence in businesses and the essential role of board engagement in supporting effective and meaningful AI governance. *[Business Standard]*

**Apple to make all iPhones in India in coming years-Jyotiraditya Scindia:** Union Telecom Minister Jyotiraditya Scindia has said that Apple will manufacture all iPhones in India in the coming years. Citing Apple's plans to source and produce most iPhones sold in the US from India, Scindia said investing in the country today is not just about goodwill, but a sound economic decision for every original equipment manufacturer (OEM). *[Business Standard]*

**AI boom drives global data centre growth despite soaring costs-Moody's:** The global data centre sector is undergoing rapid expansion, fuelled by surging demand for artificial intelligence (AI), cloud computing, and digital services. Despite ongoing high capital expenditures and operational challenges, the sector's fundamentals remain resilient, according to latest report by Moody's Ratings. *[Business Standard]*

**OpenAI backs Indian startup Vahan's tech to automate blue-collar hiring with voice AI:** Bengaluru-based startup Vahan uses OpenAI's GPT-4o to power an AI recruiter that helps India's informal workers find jobs via phone calls. Supporting over 40,000 monthly placements. *[The Economic Times]*

**Fintech revolution 2.0 is expected to unfold in India in the next 10 years: MobiKwik's Upasana Taku:** A new wave of companies will emerge to jumpstart the fintech revolution 2.0 in India over the next 10 years, said Upasana Taku, Co-founder of fintech major MobiKwik. India is a very large market that offers significant growth opportunities over the next 10-20 years, Taku said. *[The Economic Times]*

**OpenAI to store ChatGPT Enterprise and API user data locally in India:** The data of Indian ChatGPT Enterprise, ChatGPT Edu, and the OpenAI API (application programming interface) Platform users will now be stored locally in the country to help companies using these products meet local data sovereignty requirements when using OpenAI products in their businesses and building new solutions with AI. *[Business Standard]*



## Industrial Infrastructure, Clusters and SEZs

**Container cargo surge propels Kolkata Port's April 2025 growth at 45%:** A sharp rise in cargo volumes and a significant jump in container traffic have propelled Syama Prasad Mookerjee Port (SMP), Kolkata, to the top of the growth chart among India's major ports in April 2025, with 45.32 per cent year-on-year increase in throughput. *[Business Standard]*

**Adani Ports aims to scale up marine, logistics, agri-logistics arms-CEO:** Adani Ports and Special Economic Zone (APSEZ) managing director Karan Adani has said that India's biggest private port operator is focusing on scaling up its marine, logistics and agri-logistics businesses. *[Business Standard]*

**Northeast has tremendous capabilities, launch pad for entire global South-Scindia:** Scindia has been actively driving initiatives to enhance connectivity, infrastructure and ecosystems across the northeast, positioning the region as India's next economic powerhouse. *[Business Line]*

**Robust regional connectivity to boost India Middle East Europe Economic Corridor:** Experts at a Chintan Research Foundation panel underscored that enhancing rail infrastructure is crucial for Asia's economic integration, reducing logistics costs, and boosting trade, including the ambitious IMEC project. *[The Economic Times]*

**Adani Ports scouts for opportunities in Asia:** Adani Ports and SEZ is strategically targeting expansion into high-growth markets like the Philippines, Vietnam, and Indonesia, alongside the Middle East. This international push aligns with plans to refinance ₹9,034 crore in debt and a ₹12,000 crore investment this fiscal year. *[The Economic Times]*

**Shipping ministry signs agreement with Rhenus logistics to boost cargo movement:** The Inland Waterways Authority of India (IWAI) has partnered with Rhenus Group to strengthen India's inland waterways sector. Rhenus Logistics India will initiate scheduled barge operations across key National Waterways, deploying 20 barges and 6 pushers initially, with plans to move over one million tonnes of cargo annually by 2025. *[The Economic Times]*



## Sustainable Industrialisation

**IEX expects double-digit volume growth in FY26, driven by strong liquidity:** Indian Energy Exchange, the country's leading electricity exchange, is expected to log a double-digit volume growth in the current financial year that started in April, on the back of increasing sell side liquidity and launch of new products, according to analyst reports post IEX's FY25 earnings. *[Business Standard]*

**Wind sector investing in tech, workforce to reach 100 GW by 2030-IWTMA:** India's wind energy sectors is investing in capacity, technology innovation, and workforce development to help the country reach 100 GW of production by 2030, industry body IWTMA has said. *[Business Standard]*

**India-Denmark renew energy cooperation pact to boost net-zero emission:** India and Denmark inked an initial pact on Friday to strengthen energy sector cooperation through renewed partnership, which supports the nation's target of achieving net-zero emissions by 2070. *[Business Standard]*

**Green hydrogen and the Net-Zero economy: India's path to a sustainable energy future:** India is strategically positioned to lead in green hydrogen, leveraging its renewable resources and growing energy needs. A recent roundtable emphasized industry collaboration, policy clarity, and financial strategies to scale hydrogen adoption. *[The Economic Times]*

**India will have 123 million EVs by 2032:** India is gearing up for a massive electric vehicle revolution. A new report projects up to 123 million EVs on Indian roads by 2032. This growth is driven by government support and ambitious EV adoption targets. *[The Economic Times]*



## Sectoral News

**MedTech multinationals bet big on India, eyeing global hub status:** Several multinational medical device makers are focusing on deepening their presence in India by expanding their local manufacturing footprint and research capabilities, a move that can catapult India into a strategic hub for the medical technology industry. *[Business Standard]*

**India cracking down on steel imports, backing PSU Global acquisitions, green steel-making push planned-Kumaraswamy:** A 12% safeguard duty has already been imposed on select metal imports for 200 days, effective from April 21, 2025. The immediate focus is on monitoring its impact on the domestic market. *[Business Line]*

**India's cotton yarn industry set for 7-9% revenue growth driven by export rebound and domestic demand:** India's cotton yarn sector anticipates significant revenue growth. Crisil Ratings projects a 7-9% increase this fiscal year. This growth is driven by rebounding exports, especially to China. Domestic demand also plays a crucial role. *[The Economic Times]*

**Industry forecast- FY26 seen as too good for 2-wheelers:** Two-wheeler manufacturers anticipate sales to reach pre-pandemic levels in FY26, driven by factors like lower EMIs, increased disposable income, and favorable monsoons. The industry expects continued growth, supported by rising EV sales and improved entry-level demand. *[The Economic Times]*

**Revised rules for biosimilar drugs enter the final stretch:** The Indian government is refining biosimilar drug regulations, aligning with global standards to ensure stringent quality in research and manufacturing. These revised 'Guidelines on Similar Biologics' prioritize minimizing animal testing, advocating for in-vitro studies and the 3R principles (replace, reduce, refine). *[The Economic Times]*

**Medical devices industry calls for safeguards to prevent "indirect dumping" by China, EU:** The India-UK FTA is expected to boost medical device trade, with imports from the UK likely to grow faster due to tariff reductions. *[Financial Express]*

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