

Industry Matters

Weekly Updates

July 04, 2025



Economy, Industry and Policy

Indian economy poised to be the fastest growing; the number could be even better-FM Sitharaman: Despite ongoing global geopolitical challenges, India's economy is expected to maintain its position as the fastest-growing in the world, with potential for even stronger performance, Finance Minister Nirmala Sitharaman has said. *[Business Line]*

FY26 poised for decent growth amid falling inflation and monetary policy shift: The positive outlook can be attributed to interest rates coming down and economic activity picking up, credit demand from banks and non-banking financial companies (NBFCs) is likely to strengthen. *[Business Line]*

Govt approves ₹1-trillion RDI scheme to boost private-sector innovation: The Union Cabinet on Tuesday approved a ₹1-trillion corpus for the Research Development and Innovation (RDI) Scheme, aiming to spur private-sector investment in strategic and high-growth sectors through long-term, low-cost funding. *[Business Standard]*

India's trade deficit may surge to \$300 billion in FY26 despite lower oil prices- ICICI Bank: India's trade deficit is likely to widen to \$300 billion in the financial year 2025-26, even though oil prices are expected to remain moderate, according to a recent report by ICICI Bank. *[Business Line]*

India's petroleum product demand to grow at 5.37% CAGR till 2030-PHDCCI: The demand for refined petroleum products in India — the world's fourth largest refiner — is expected to grow at a compound annual growth rate (CAGR) of more than 5 per cent over the next five years. *[Business Line]*

Can growth forecasts hold amid rising global risks?: Over the last few years, one of the feathers in India's macro cap has been its high GDP growth as compared to other large economies. In FY24, the GDP growth notched an impressive 9.2 per cent. *[Business Line]*

Cost Inflation Index set higher at 376, long term capital gain to be lower on land, trademarks, patents: The CII number assists in determining the long-term capital gains on which an assessee is required to pay taxes when she/he files income tax returns (ITR) next year. *[Business Line]*

India's industrial strategy is feeding big business, but not growth: Luigi Zingales of the Chicago Booth Business School argues that we should support "pro-market" policies that improve the functioning and fairness of markets, and oppose "pro-business" policies that serve special interests, restrict competition, and impose huge costs on taxpayers. *[Business Standard]*

State-level inflation data for items likely in new CPI series: Statistics ministry plans to release state-level inflation data for individual items in the new Consumer Price Index (CPI) series, offering insights into price trends across states. This initiative, recommended by experts and the RBI, aims to enhance data transparency by disseminating granular level data. *[The Economic Times]*

India's services sector accelerates to a 10-month high of 60.4 in June on healthy demand-PMI: India's service sector recorded a rise in growth momentum in June with HSBC India Services Business Activity Index, or services PMI for the month accelerated to 60.4 from 58.8 in May. *[Financial Express]*



Foreign Investment

FPIs turn net buyers with \$1,241.08 million inflow on Friday: Foreign Institutional Investors (FIIs) made a strong comeback in Indian markets during the week ending June 27, 2025, with the final day alone recording net purchases of \$1,241.08 million, marking a significant turnaround from their earlier cautious approach this month. *[Business Line]*

Clauses on critical minerals to be part of FTA ambits: India's National Critical Minerals Mission targets global partnerships and FTAs to secure key resources. With Rs 34,300 crore investment till 2030-31, it aims to boost exploration, overseas acquisition, processing, and recycling of critical minerals vital for modern manufacturing and self-reliance. *[Financial Express]*

CCI approves British Int'l investment in ReNew Photovoltaics solar business: The Competition Commission of India (CCI) on Tuesday approved British International Investment's proposal to acquire a stake in solar manufacturing firm ReNew Photovoltaics. *[Business Standard]*

Private capital crucial for sustainable development-FM Nirmala Sitharaman: Finance Minister Nirmala Sitharaman emphasized the critical role of private capital in achieving sustainable development at the International Business Forum in Spain. She highlighted the need to overcome investment barriers in low- and middle-income countries and advocated for reforms in international credit rating methodologies to better reflect the strengths of emerging economies. *[The Economic Times]*



Trade Policy and Competitiveness

Industrial policy redux-India must counter the Chinese supply grip: China needs nothing critical from India - on the other hand, India needs \$115 billion worth of goods every year from China to keep various parts of its economy going. *[Business Standard]*

Big deal coming, to open up Indian market-Trump: As India-US trade negotiations intensify ahead of the July 9 reciprocal tariff deadline, President Trump hinted at a "big deal" to open Indian markets. *[Financial Express]*

India, US, Japan and Australia agree to strengthen maritime, critical minerals cooperation in Indo-Pacific: The United States, Australia, India and Japan have agreed to expand their cooperation on maritime security in the Indo-Pacific and further collaborate on supplies of critical minerals and rare earths that are key components of high-tech production. *[Business Line]*

India-UK FTA, deals negotiated with EU, US to push textiles growth: The India-UK Free Trade Agreement, and the ongoing free trade negotiations with the EU and the US will open new avenues for growth for the textiles sector, Minister of State for Textiles Pabitra Margherita has said. *[Business Line]*

BRICS nations' interest in national currency trade is not de-dollarisation-MEA official: BRICS nations will work on increasing their understanding of the importance of having an alternative mechanism to do trade in national currencies to protect against geopolitical vulnerabilities, but the process is not the same as de-dollarisation. *[Business Line]*

Tariffs, trade and the green pivot-How Indian exporters can navigate a shifting global order: Amidst U.S. tariffs and shifting global trade, Indian exporters face both challenges and opportunities. While U.S. tariffs impact key sectors, the EU's focus on sustainability, through initiatives like CBAM and CSRD, presents a new avenue. *[The Economic Times]*

India to pitch for preferential trade pact expansion with Mercosur nations: India will pitch for expansion for a preferential trade agreement (PTA) with Mercosur nations during Prime Minister Narendra Modi's visit to Latin American nations such as Brazil and Argentina later this week. *[Business Standard]*



Corporate Governance

JSW Paints' acquisition of Akzo Nobel India. A fair painting?: JSW Paints has acquired the promoter holding of Akzo Nobel India at fairly reasonable valuations. However, operating margins in the paint industry have been under pressure during FY25, given the competitive intensity in the sector. *[Financial Express]*

Torrent Pharma to acquire controlling stake in JB Chemicals & Pharmaceuticals from KKR for ₹19,480 crore: Torrent Pharmaceuticals on Sunday announced the acquisition of a controlling stake in JB Chemicals & Pharmaceuticals from KKR for a purchase price of up to ₹19,480 crore, translating into an equity valuation of ₹25,689 crore. *[Business Line]*

AMG acquires 17.5% stake in Greenko Energy Holdings for \$1.4 billion: In what could be the largest transaction in India's green energy space, AM Green BV (AMG) has acquired a 17.5 per cent equity stake in Greenko Energy Holdings (Greenko) from Japanese financial services firm ORIX Corporation (ORIX) for \$1.4 billion. *[Business Standard]*

CCI approves Coromandel's acquisition of stake in NACL Industries: Fair trade regulator CCI on Tuesday cleared Murugappa Group firm Coromandel International's proposal to acquire a stake in NACL Industries. NACL, a listed entity, operates in the agro-chemical sector. It offers crop protection products and active ingredients. *[Business Standard]*

Indian corporates shift gears, tap markets over banks for cheaper capital: Indian corporates increasingly utilized capital markets in FY25, leading to a 32.9% surge in resource mobilization, reaching Rs 15.7 lakh crore. Debt instruments, particularly private placements, dominated this trend, while bank lending slowed. *[The Economic Times]*

Godrej Industries will invest ₹750 crore on capacity expansion of chemicals business: In a regulatory filing, Godrej Industries informed that its chemical business will undertake significant capacity expansions to become a \$1 billion global business before 2030. *[Business Line]*



MSMEs and Start-ups

Tech startup ramp up hiring as funding winter warms up: The tech startups cohort, overall, has moved from a closing headcount of 2.5 lakh in FY21 to 5.9 lakh in FY25, registering a collective 7.1 lakh gross hiring count during the five years. *[Business Standard]*

Startups use AI, omnichannel push to expand globally, reach deeper locally: As India's startup sector enters a new phase of growth, a wave of emerging companies is turning to artificial intelligence, omni channel distribution and the creator economy to reach smaller domestic markets and expand globally. *[Business Standard]*

Boosting growth-Integrate MSMEs and e-commerce to surge GDP globally: To close the GDP gap with China, MSMEs, e-commerce, states, logistics growth, and the private sector must work synergistically, with time-bound targets and rewards. *[Business Standard]*

RDI scheme a major boost for R&D and deep-tech in India-Industry: With a two-tiered financing structure, the new RDI fund will support deep-tech ventures through the ANRF and aims to attract global talent and long-term capital. *[Business Standard]*

Agentic AI startups see uptick in demand from smaller companies: Agentic AI startups in India are seeing rising demand from SMBs and startups, driven by the need for efficient, outcome-focused automation. Firms like Gnani, Zegment, Meritto, and Cohyre report growing interest in AI agents for tasks like support, recruitment, and engagement across sectors. *[Financial Express]*



Employment and Industrial Relations

Job market outlook positive amid steady hiring momentum-FinMin: Finance Ministry report draws on TeamLease Employment Outlook Report and ManpowerGroup Employment Outlook Survey to present outlook. *[Business Line]*

Employment Linked Incentive scheme to create 3.5 crore jobs in 2 years: In a significant move to boost job creation, the Union Cabinet on Tuesday gave its nod to an Employment-Linked Incentive (ELI) scheme with a substantial outlay of ₹1.07 lakh crore. This initiative is designed to incentivise the creation of 3.5 crore jobs over the next two years. *[Business Line]*

A recurring pattern shows why India's big job-generation numbers may not really matter: A recent report highlights a significant skills mismatch in India's employment sector, where over half of graduates are in low-skilled jobs. Despite increased higher education access, 88% of the workforce occupies low-competency roles, with stark regional disparities evident. *[The Economic Times]*

Employment push-New job scheme must be supported by structural reforms: The Union Cabinet on Tuesday approved the employment-linked incentive (ELI) scheme, first announced in the 2024-25 Union Budget. The scheme reflects an acknowledgement that India's economic growth must translate into gainful job opportunities. *[Business Standard]*



Industrial Finance

Fintech-driven personal loans show rising stress, delinquencies at 6-quarter high: Fintech companies' small-value personal loans are showing increased stress, with delinquencies rising to 3.6% by March 2025, particularly in Tier-3 cities and among younger borrowers. While fintechs hold a significant share of the personal loan market, growth in sanction volume and value has slowed. *[The Economic Times]*

TReDS platform RXIL crosses Rs 2 lakh cr MSME invoice financing milestone: RXIL, a TReDS platform promoted by SIDBI and NSE, has achieved a significant milestone, surpassing Rs 2 lakh crore in MSME invoice financing. Driven by stakeholder participation and government support, RXIL facilitated Rs 80,500 crore in FY25 alone, benefiting over 44,000 MSMEs across India. *[The Economic Times]*

IREDA accelerates clean energy financing in Q1FY26-Loan sanctions soar 29%, disbursements up 31%: IREDA's outstanding loan book also registered a 27% year-on-year growth in the first quarter. Its outstanding loan amount stood at Rs 79,960 crore at the end of the quarter. In the first quarter of fiscal year 2024-25, its outstanding loan amount was Rs 63,207 crore. *[Financial Express]*

Bambrew secures ₹90 crore funding to scale R&D, expand manufacturing: Bengaluru-based sustainable packaging start-up, Bambrew has raised ₹90 crore in a funding round led by Ashok Goel, former Managing Director of Essel Propack along with Japanese venture capital firm Enrission India Capital. *[Business Line]*

New project finance norms-Banks seek exemption for smaller loans: Commercial banks are planning to make a representation to the finance ministry and the Reserve Bank of India (RBI) to seek an exclusion for smaller projects, particularly those undertaken by micro, small and medium enterprises (MSMEs), from the new project finance norms that prescribe a higher general provisioning for lenders during the construction phase. *[Business Standard]*

Bank credit growth slows to 9.8% in May as NBFC, retail lending dips: Bankers said besides subdued activity in the first quarter, the slowdown could be attributed to a high base effect and muted growth across segments, including retail. *[Business Standard]*



Technology and Innovation

MiPhi launches India's first locally designed, manufactured enterprise SSDs: MiPhi Semiconductors Private Limited, a strategic joint venture between Micromax Informatics and Taiwan's Phison Technology, announced that it has begun designing and manufacturing enterprise-grade Solid State Drives (SSDs) in India—becoming the first homegrown brand to do so. *[Business Standard]*

India eyes strategic leap in semiconductors with focus on 2D materials, govt plans major push: India is making a strategic push into next-gen chip technology by investing in research on two-dimensional (2D) materials like graphene and TMDs. *[Financial Express]*

Nasscom launches talent council to power India's next digital workforce transformation: In a significant move to strengthen India's position as a global technology talent hub, Nasscom has announced the formation of its new Talent Council—an industry-led initiative to build a future-ready, globally competitive digital workforce. *[Business Line]*

Digital decade-India's journey from inclusion to tech innovation: Ten years ago, we embarked on a bold journey into uncharted territory with great conviction. While decades were spent doubting the ability of Indians to use technology, we changed this approach and trusted the ability of Indians to use technology. *[Business Standard]*

Governing with AI-Future-ready policy decisions need adaptive systems: It is evident that artificial intelligence (AI) tools and their capacity to bring together immense knowledge and undertake complex analysis can contribute a lot to the world of governance and policymaking. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Adani Green reaches 15,540 MW operational RE capacity; can power 7.9 million households: Adani Green Energy Limited (AGEL) has reached 15,540 MW of operational capacity which can power 7.9 million households. This operational capacity, which includes 5,356 MW of capacity at Khavda in Gujarat, marks the fastest and largest capacity addition in India to date. *[Business Line]*

SEZ rules may be eased for green hydrogen, air cargo, MROs, space: In a bid to make Special Economic Zones (SEZs) more attractive to investors, the government is considering easing rules to encourage investments in high potential sectors such as green hydrogen, air cargo, MROs (maintenance, repair & overhaul) and space exploration by making changes aligning with their specific needs, a source said. *[Business Line]*

IGI Airport to develop Cargo City, SEZ: The national capital's IGI Airport complex aims to become a global hub for logistics and trade with the establishment of a 'Cargo City and Special Economic Zone' (SEZ). *[Business Line]*

ASEAN–India Cruise Dialogue 2025 signals strengthened cruise cooperation: India aims to promote cruise cooperation and cruise corridors with ASEAN to focus on infrastructure standardisation, knowledge exchange, and stakeholder incentives. This was one of the agendas at the two-day ASEAN–India Cruise Dialogue 2025. *[Business Line]*



Sustainable Industrialisation

CleanMax, Toyota Tsusho India join hands to develop 300 MW green capacity: The new partnership aims to leverage synergies between both companies to develop and operate renewable energy projects for Japanese corporates in India, CleanMax said in a statement. *[Business Standard]*

Hindustan Power gets order to set up 100 MW solar project with 200 MWh energy storage system: Hindustan Power secured a 100 MW solar project from SJVN, integrated with a 200 MWh battery energy storage system. This ISTS project, won through competitive bidding, is part of a larger 1200 MW initiative. *[The Economic Times]*

Exxaro Tiles sets up captive 5MW solar plant to meet sustainability goals, cut energy costs: Exxaro Tiles, based in Gujarat, has established a 5MW DC captive solar power project at its Talod manufacturing plant. This initiative aligns with global sustainability objectives and is projected to cut energy expenses by 30%, resulting in yearly savings of Rs 5.67 crore. The company manufactures vitrified and glazed tiles and exports to over 15 countries. *[The Economic Times]*

L&T sets up new arm to develop green hydrogen projects: Larsen & Toubro has established Panipat Green Hydrogen Pvt Ltd. This new entity will focus on developing green hydrogen projects. Fitch Ratings has affirmed L&T's long-term ratings at 'BBB+' with a stable outlook. *[The Economic Times]*

SECI crosses 60 GW landmark in power sale pacts for green energy projects: The power sale agreements cover a diverse portfolio of solar, wind, and hybrid energy projects, collectively representing a significant share of India's rising renewable energy capacity. *[The Statesman]*



Sectoral News

Time to revive demand in the handloom sector: The handloom sector, with its rich legacy and deep socio-economic significance, remains one of India's largest cottage industries. According to the Fourth Handloom Census (2019-20)1, there are over 31 lakh handloom weavers and allied workers across the country. *[Business Line]*

Jindal Steel commissions first continuous galvanising line in Odisha: Naveen Jindal-controlled Jindal Steel has commissioned its first continuous galvanising line at Angul integrated steel complex in Odisha. This is part of a Rs 3,400 crore investment in a cold rolling mill (CRM) complex. *[Business Standard]*

Steel as the backbone of a rising India: Whether it is highways or homes, renewable energy parks or high-speed rail corridors, smart cities or defence manufacturing hubs India's decade-long infrastructure revolution has depended deeply on a sector that once stood stagnant but is now forging ahead with confidence and capacity. *[Business Line]*

India's electronic production set to reach ₹27.7 lakh crore by FY28: India's electronic manufacturing is expected to grow significantly and reach ₹27.7 lakh crore by the financial year 2027-28 (FY28), according to a recent report by Antique Stock Broking. *[Business Line]*

Only half of eligible players got telecom mfg PLI incentives, Rs 1,162 cr disbursed till Mar 31: The telecom PLI scheme, effective since April 2021 and concluding this fiscal year, has disbursed ₹1,162.03 crore till March 31, 2025. Only 21 of 42 eligible manufacturers received incentives, while two were rejected for failing to meet targets. *[The Economic Times]*

Indian commercial vehicle industry to see 3-5% growth in FY26-Icra: ICRA projects modest 3-5 per cent growth for CV sector in FY26 on infrastructure revival, with buses outpacing other segments at 8-10 per cent growth. *[Business Standard]*

Auto industry divided on CAFE-III emission norms: A significant division has emerged within India's automotive industry body, SIAM, concerning the upcoming Corporate Average Fuel Efficiency (CAFÉ) 3 norms, set to be enforced from April 1, 2027. *[Financial Express]*

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