

# Industry Matters

Weekly Updates

September 19, 2025



## Economy, Industry and Policy

**Markets and the role of power:** Well before US President Donald Trump upended the rules of the international trade game with his tariff aggression, it was well-known — most of all in global financial circles — that the US had a special place with regard to cross-border capital flows. *[Business Line]*

**Unemployment rate dips for second successive month to 5.2% in August:** Unemployment rate (UR) dipped for the second successive month in August to 5.1 per cent, Statistics Ministry reported on Monday. UR is defined as the percentage of individuals unemployed among persons in the labour force. The rate was 5.2 per cent in July. *[Business Line]*

**FICCI-BCG report calls for diversified, digital and compliant value chains for India:** A joint report titled 'Evolving Landscape of Global Value Chains' by the Federation of Indian Chambers of Commerce and Industry (FICCI) and Boston Consulting Group (BCG) has stressed the need for companies to design value chains that are diversified, digitally enabled, and compliant with evolving global standards beyond efficiency and scale. *[Business Line]*

**FinMin not keen on exporters' demand for interest subsidy, duty credit scrips:** Despite demand from exporters struggling under the weight of US tariffs of 50 per cent, the Finance Ministry is not yet convinced about reinstating the interest equalisation scheme (IES) or providing export incentives in the form of duty credit scrips, sources said. *[Business Line]*

**Economists lower India inflation forecasts despite August uptick; GST reforms supportive:** India's retail inflation edged up modestly in August, but economists and industry leaders believe the rise is temporary and unlikely to upset the country's broader price stability, partly due to recent GST reforms. *[Business Line]*

**Viksit Bharat-Deploy a prudent macroeconomic strategy supported by robust institutions:** India must combine well-calibrated inflation control, fiscal prudence and statistical modernization with sensible regulation. The country's aspiration to become a developed country by 2047 rests on the strategic approach taken now. *[Mint]*

**Mint Explainer | Another PLI lifeline for white goods: Smart policy or support addiction?:** The government has reopened the PLI scheme for white goods to attract new players and help existing beneficiaries upgrade. Is it a good idea to reopen the PLI scheme? Will the industry become too dependent on sops? *[Mint]*

**Insurers not to get ITC benefit towards GST paid on commission on individual health, life policies:** Insurance companies will not get Input Tax Credit on commission or brokerages for individual health and life insurance policies, Central Board of Indirect Taxes & Custom (CBIC) said on Tuesday. It has also said that hotels with room tariff of less than ₹7,500 will not get ITC. *[Business Line]*

**RBI likely to cut rates by 25 bps each in Oct, Dec MPC; CPI may avg at 2.4% in FY26-Morgan Stanley:** The Reserve Bank of India (RBI) is expected to lower policy rates by 25 basis points each in the upcoming Monetary Policy Committee (MPC) meetings in October and December, taking the terminal policy rate to 5 per cent, according to a report by Morgan Stanley. *[Business Line]*

**AI-led efficiencies can contribute to 8% GDP growth target-NITI Aayog:** NITI Aayog released a report on Monday (September 15, 2025) asserting that Artificial Intelligence-led efficiencies in industries could be key in contributing to an annual Gross Domestic Product (GDP) growth rate of 8% in the coming years. *[The Hindu]*

**Uttar Pradesh to invest ₹8,350 crore to create industry-ready workforce:** Uttar Pradesh (UP) is looking to invest ₹8,350 crore to train the youth and create a workforce ready for Industry 4.0, which refers to the integration of digital technologies into manufacturing and industrial processes. *[Business Standard]*

**India's economic ambitions need better gender data:** Women contribute just 18% to India's GDP today, but continuing with business-as-usual means that trillions of dollars will be left on the table. India's aspiration to become a \$30 trillion economy by 2047 rests on a simple truth: inclusive growth cannot happen if half its population remains invisible in the data that drive policy and investment. *[The Hindu]*



## Foreign Investment

**Geothermal push-India opens sector to 100% FDI, incentives, and JV partnerships:** India on Monday launched its first national policy on geothermal energy, joining a growing list of countries betting on subterranean heat to power their clean energy transitions. *[Business Line]*

**Modi, Danish PM discuss green partnership; Frederiksen calls for early conclusion of India-EU FTA:** Narendra Modi spoke with Mette Frederiksen on Tuesday They reaffirmed support for the India-EU FTA. Discussions covered the Green Strategic Partnership. This includes trade, energy, and sustainable development. Modi wished Denmark success in its EU Council Presidency. *[The Economic Times]*

**Nearly 60% of India's outward FDI goes to 'tax havens', reflecting strategic potential of these countries:** An analysis of RBI data by The Hindu shows that nearly 56% of such investments in 2024-25 were in low tax jurisdictions such as Singapore, Mauritius, UAE, the Netherlands, U.K. and Switzerland. *[The Hindu]*

**China's SAIC to cut stake in India car venture with JSW amid investment curbs:** SAIC Motor plans to reduce its stake in its Indian joint venture, JSW MG Motor, and halt further investments. Despite efforts to improve relations between India and China, investment proposals remain stalled. JSW's pursuit of a partnership with Chery Automobile has further strained the relationship. *[The Economic Times]*

**WTO flays India for 'blocking' investment pact:** WTO chief Ngozi Okonjo-Iweala criticised India, South Africa and Turkiye for blocking the Investment Facilitation for Development (IFD) pact, saying it hurts poorer nations' ability to attract investments. India argues the pact undermines policy autonomy and consensus rules. *[Financial Express]*



## Trade Policy and Competitiveness

**US, India kick off trade talks to resolve tariff issues:** Chief negotiators of India and the US have commenced talks on the proposed trade agreement to iron out issues in the wake of steep tariffs that have created uncertainties for exporters, an official said on Tuesday. *[Business Line]*

**India, EU committed to work for mutually beneficial trade pact soon-Goyal:** India and the European Union are committed to work for a balanced and mutually beneficial free trade agreement soon, Commerce and Industry Minister Piyush Goyal said on Saturday. *[Business Line]*

**Exports to US falling due to high tariffs-GTRI:** August shipments to the US plunged to \$6.7 billion, down 16.3 per cent from July -- the steepest monthly fall of 2025 -- as US duties doubled to 50 per cent by month's end. *[Business Line]*

**US plan to slap tariffs on India and China risks global trade backlash:** Since India has none of China's bargaining chips, Trump has found it easy to target it for buying discounted Russian oil, a threat of further punishment, however, could backfire. *[Business Standard]*

**Industry optimistic about growth in auto parts exports despite Trump tariffs:** India's auto component companies anticipate minimal long-term effects from US and Mexico tariffs. Exports to these nations are currently modest. The industry expresses concern over tariffs on commercial and off-road vehicle parts. *[The Economic Times]*

**Global tie-ups soon to push geo-thermal energy-Govt:** India is advancing geothermal energy with global collaborations from the US, Norway, and Iceland. Backed by a new national policy, pilot projects, and financing support, the government aims to unlock 10 GW potential and establish geothermal as a reliable renewable energy source. *[Financial Express]*



## Corporate Governance

**Tata Technologies to acquire ES-Tec Group in €75 million full buyout deal:** The company has entered into a definitive agreement to acquire 100 per cent equity shares of ES-Tech GmbH and its subsidiaries (collectively, ES-Tec Group), Tata Technologies said in a statement. *[Business Standard]*

**Mcap of eight of top-10 most valued firms jumps by Rs 1.69 lakh cr; Bajaj Finance biggest gainer:** The combined market valuation of eight of the top-10 most valued firms jumped by Rs 1,69,506.83 crore last week in tandem with an optimistic trend at the Dalal Street, where Bajaj Finance emerged as the biggest gainer. *[Business Line]*

**Molycop acquisition-Tega's board approves raising upto ₹4,000 crore in combination of equity and debt:** The board of Tega Industries, which is planning to acquire US-based Molycop for an enterprise value of around \$1.48 billion, on Saturday approved raising of funds upto ₹4,000 crore in a combination of equity and debt. *[Business Line]*

**Unfair order-Gig workers deserve a better deal in cases of corporate insolvency:** So far, only half-hearted steps have been taken to protect their rights. The Insolvency and Bankruptcy Code must not overlook how their being last in the pecking order of IBC claims isn't just unfair, it could also go against India's economy. *[Mint]*

**CCI clears JSW Paints proposal to acquire 75% stake in Akzo India:** The development came after JSW Paints announced in June this year that it would buy a 74.76% stake in Akzo Nobel India for nearly ₹9,000 crore, and followed by an open offer to buy another 25% from the open market for up to ₹4,000 crore. *[Business Line]*

**Adani Group to invest additional ₹30,000 cr to expand domestic ports ops:** In a bid to expand its domestic operations, Adani Ports and Special Economic Zone (APSEZ) is now planning to invest ₹30,000 crore in the next two years, The Economic Times reported. *[Business Standard]*



## MSMEs and Start-ups

**India's fintechs are done chasing the masses. Now they're fighting over the rich:** Fierce competition is erupting among India's fintechs this year, with the focus shifting from mass adoption to the aspirational class, a strategic play meant to tap into the country's burgeoning affluent population, who are looking for sophisticated and personalized solutions for wealth management and access to unique investment opportunities. *[Mint]*

**Startup IPO momentum slows amid global uncertainties:** Startup IPO momentum slows in 2025 amid global volatility, investor caution, and regulatory shifts. Despite a strong pipeline of firms like Meesho, Lenskart, and PhysicsWallah, only a handful have listed. Analysts see this as a correction, with valuations aligning closer to fundamentals. *[Financial Express]*

**Wadhvani Foundation, PhonePe join hands to boost startups and SMEs:** For scaling ventures, Wadhvani Accelerate will provide growth-stage support through venture partners, playbooks, market access and curated capital connects. PhonePe will complement these with ecosystem expertise, digital tools and new customer linkages. *[Financial Express]*

**India looks to open up the world for its SME exporters, readies new policy playbook:** India is poised to revamp its e-commerce export policy, potentially allowing an inventory-based model to empower SMEs in global markets. This move, prompted by challenges like the US withdrawal of duty-free import provisions, aims to ease barriers and boost export opportunities for smaller sellers. *[The Economic Times]*



## Employment and Industrial Relations

**Employees entitled to assured payout on pro rata basis on VRS after 20 yrs service or more-Govt:** Central government employees who have completed 20 years of service can now opt for voluntary retirement and receive an assured payout on a pro-rata basis, according to newly notified rules. *[The Economic Times]*

**Skills Ministry notifies changes to Apprenticeship Act; paves way for higher stipend:** In a notification issued recently, the ministry of skills development and entrepreneurship enhanced stipend to Rs 12,300 from Rs 6,800 per month while introducing reforms such as promoting degree apprenticeships, remote or virtual apprenticeships training, expanding regional boards, wider coverage of industries and ensuring inclusivity for persons with benchmark disabilities. *[The Economic Times]*

**India signs MoU with ILO to align 'Occupational Classification' for global employment opportunities:** Attempting to enhance the global employability of Indian workers, the Union government has signed a Memorandum of Understanding (MoU) with the International Labour Organisation (ILO) to advance the International Reference Classification of Occupations (IRCO). *[Business Line]*

**Govt extends UPS option for staff who joined April-August 2025 till Sept 30:** The Finance Ministry said central staff who joined service between April 1 and August 31, 2025 can now opt for UPS instead of NPS, with flexibility to return later if they wish. *[Business Standard]*



## Industrial Finance

**VinFast gets \$150 Million loan from Barclays for working capital:** Vietnam's largest carmaker VinFast Auto Ltd. has secured a \$150 million loan from Barclays Plc, as it advances expansion efforts to compete in the global electric vehicle market. *[Business Line]*

**RBI issues final guidelines for payment aggregators:** RBI issues final guidelines for payment aggregators: banks exempt from authorisation, NBFCs need approval. Rules mandate Rs 25 crore net worth, escrow accounts, fit-and-proper norms, dispute resolution, and risk management to ensure secure digital transactions. *[Financial Express]*

**Fusion Finance recalibrates lending strategy:** Fusion Finance has cut its loan book by 28% and tightened credit guardrails after rural over-leverage pushed NPAs above 10%. With GNPA now at 5.5%, fresh capital infusion, and a sharper MSME focus, the lender is betting on a turnaround by FY26. *[Financial Express]*

**Bank credit on firm footing despite global uncertainties-Crisil:** Crisil forecasts a rise in bank credit growth to 11-12% for fiscal year 2025-26, driven by consumer loan demand fueled by tax cuts and lower rates. Retail loans are expected to lead with 13% growth, while corporate loans may see a slower 9%. *[The Economic Times]*

**KPI Green Energy to raise \$363 million from SBI, says CFO Sahil Yahoo:** India's KPI Green Energy is set to raise ₹3,200 crore (\$363.39 million) through a loan from the country's largest lender to expand production capacity at its renewable power plants, top KPI executives told Reuters on Tuesday. *[Business Standard]*

**Loan growth in India likely to pick up amid push from govt/RBI and stabilising asset quality-Nomura:** Nomura projects India's loan growth to rise to 12% YoY by FY26, driven by stabilising asset quality, RBI policy easing, liquidity support, and tax relief. Stronger growth is expected in unsecured retail loans, about 10% of system credit. *[The Economic Times]*

**SMFG India Credit and PhonePe partner to launch loans for micro-merchants:** SMFG India Credit has partnered with PhonePe to provide collateral-free Merchant Cash Advance loans to registered merchants, particularly those in Tier-2 and Tier-3 cities. *[The Economic Times]*

**Paytm launches credit line on UPI with Suryoday Small Finance Bank:** Paytm has introduced Paytm Postpaid, a UPI credit line, in partnership with Suryoday Small Finance Bank. This facility allows select users short-term, interest-free credit for up to 30 days. Users can use Postpaid for online shopping, UPI payments, bill payments, and bookings on the Paytm app. *[The Economic Times]*

**HUDCO targets over Rs 3 lakh crore in infra finance by 2030:** The company recorded annual sanctions of Rs 1,27,952 crore, a 55 per cent increase, compared to the previous year, underlining its growing role in financing infrastructure and housing projects. *[The Statesman]*



## Technology and Innovation

**Digitisation has transformed India:** It's having a positive impact on almost every aspect of life, thanks to bold policymaking, cross-ministerial collaboration, and a commitment to inclusive growth. *[Business Line]*

**AI can lead to 8% plus economic growth to realise the vision of 'Viksit Bharat'-NITI Aayog Report:** Beyond adoption, the report stresses the importance of nurturing frontier innovation. AI-enabled drug discovery, software-assisted vehicles, and next-generation auto components etc are seen as future growth engines. *[Business Line]*

**WhatsApp adds payments, calling and AI tools for businesses in India:** Meta unveiled new WhatsApp Business features in India including in-app payments, calling and AI tools, while expanding partnerships with state governments for citizen services. *[Business Standard]*

**India at inflection point with huge AI opportunity-Tata Sons Chairman:** India is at an 'inflection point' where it has enormous opportunity to embrace Artificial Intelligence (AI) and make a huge impact, Tata Sons Chairman N Chandrasekaran said on Monday. *[Business Standard]*

**Real-time payment data in GSTN, a must:** India's GST 2.0 reforms aim to simplify the tax system with dual rates of 5 per cent and 18 per cent plus a 40 per cent luxury slab, with a view to lowering taxes on essentials, raising consumption, improving ease of doing business, and rationalising duty structure to reduce cases under inverted duty structure and faster duty refunds. *[Business Line]*

**Dutch tech investor Prosus scales up India AI play amid global headwinds:** Dutch investor Prosus backs Arivihan, CodeKarma, and Deccan AI in quick succession, calling AI a central pillar of its India strategy as it plans multi-billion-dollar bets. *[Business Standard]*



## Industrial Infrastructure, Clusters and SEZs

**Vikram Solar to supply 200 MW solar modules to AB Energia:** Vikram Solar on Monday said it has secured an order to supply 200 MW high-efficiency solar modules from AB Energia, an end-to-end EPC solutions provider for commercial and industrial (C&I) solar projects. *[Business Line]*

**Government proposes ALMM for solar wafers by June 2028, if manufacturing capacity hits 15 GW:** The Ministry of New & Renewable Energy (MNRE) has proposed to include solar wafers under the Approved List of Models and Manufacturers (ALMM) from June 1, 2028, if India's cumulative capacity is around 15 gigawatt (GW). *[Business Line]*

**Kolkata port signs concession agreement with JSW Infrastructure for modernization of two key berths:** Syama Prasad Mookerjee Port, Kolkata (SMPK) on Monday signed a concession agreement with JSW Infrastructure for the mechanization and modernization of two of its key berths at Netaji Subhas Dock under the Kolkata Dock System. *[Business Line]*

**Industry body readies framework for states to boost GCC growth:** CII is finalizing a national framework for Global Capability Centers (GCCs) to boost growth in tier-II and III cities. The policy aims to streamline regulations, enable digital economic zones, strengthen academia partnerships, and help India evolve into a global innovation leader. *[Financial Express]*

**Tata Motors inks pact with 13 EV charging point operators to boost charging infrastructure:** Tata Motors is collaborating with 13 charging companies. They plan to install 25,000 more public chargers. These chargers are for electric small commercial vehicles. The goal is to improve the charging network. This will support the growing use of electric vehicles. *[The Economic Times]*

**Suzlon bags 838 MW project order from Tata Power Renewable Energy:** This is also Suzlon's second-largest order ever, following the 1,544 MW order from NTPC Green Energy, and demonstrates the growing role of FDRE projects in accelerating India's energy transition. *[Business Standard]*

**India set to attract investments worth ₹8 trillion in coming years-Sonowal:** India is set to attract investments worth Rs 8 trillion, generate over 1.5 crore jobs, and accelerate green shipping practices in the coming years, Union Minister Sarbananda Sonowal said on Tuesday. *[Business Standard]*

**How government-led infrastructure development & policies are strengthening warehousing and distribution in India:** India's warehousing sector is experiencing substantial growth, projected to reach \$35 billion by 2027, driven by rising consumption and digital adoption. Government initiatives like the National Logistics Policy and infrastructure development are fostering an integrated, multimodal ecosystem. *[The Economic Times]*



## Sustainable Industrialisation

**AM Green looking to set up more biorefineries in India-CTO S S V Ramakumar:** Following the commissioning of its Rs 4,500 crore bamboo-based biorefinery in Assam, AM Green plans more projects in India to scale ethanol production for petrol blending. *[Business Standard]*

**Policy stability key to India's manufacturing future-Maruti Suzuki MD:** India's auto-component export is grappling with a "major challenge" as nearly 30 per cent of shipments to the United States (US) now face steep tariffs of 25-50 per cent, said Hisashi Takeuchi, managing director and chief executive officer, Maruti Suzuki India, on Friday, adding that the country should continue demonstrating "policy stability and predictability" to strengthen its long-term manufacturing competitiveness. *[Business Standard]*

**Ola Electric claims Rs 400 crore incentives under auto PLI for FY25:** Ola Electric has filed for Rs 400 crore in incentives under the auto PLI scheme for FY25, backed by Rs 3,000 crore in sales. With Gen 3 scooters certified for PLI benefits, the EV maker expects stronger margins, positive EBITDA, and improved liquidity in the coming quarters. *[Financial Express]*

**Govt plans Rs 5,000 cr scheme to promote decarbonisation in steel industry-Steel secy:** The Indian government is developing a Rs 5,000 crore scheme to encourage the adoption of clean steel-making technologies and reduce carbon emissions. This National Mission for Sustainable Steel aims to support all steel manufacturers, with a focus on secondary players, by providing incentives based on emission reduction. *[The Economic Times]*

**Centre announces policy to tap geothermal energy:** Countries such as Germany have accelerated geothermal expansion and Big Tech companies in the U.S. have been scouting for low-carbon electricity to fuel AI growth. India has identified 381 hot springs and 10 geothermal provinces, including Ladakh, Himachal Pradesh and Gujarat, the MNRE said. *[The Economic Times]*

**India's solar sector at an inflection point as risks of oversupply, trade disruptions looming over the industry:** India's solar sector is at an inflection point where demand signals, trade flows and technology shifts will determine players to survive or gets squeezed, according to a report by Yes Securities. *[The Economic Times]*



## Sectoral News

**BPL med-tech journeys up the innovation curve, aims to develop one-third of its products inhouse by 2030-MD:** The goal is to have "significant own products and IP-driven innovation, our own manufacturing and assembly capabilities, and then eventually serve markets outside India," said Subramanyam. *[Business Line]*

**NPPA asks drug makers, medical device industry to pass on GST rate cut benefit to consumers:** The National Pharmaceutical Pricing Authority (NPPA) has asked pharmaceutical companies and medical device makers to pass on the benefit of reduced GST rates to consumers with effect from September 22. [Business Line]

**A booster shot for the recycling sector:** The country's need to be self-reliant in critical minerals after Chinese threats to curb critical mineral imports may be a blessing in disguise for the recycling sector. [Business Line]

**Auto component makers eye China thaw for growth:** The auto component industry is looking at the easing of tensions with China as a chance to strengthen partnerships and access advanced technology. China remains India's largest source of component imports, and industry leaders said that improvement in ties could support growth in the domestic sector. [Financial Express]

**Indian tyre industry to grow 12-fold in revenue at ₹13,000 crore till 2047-ATMA report:** According to a joint report by the Automotive Tyre Manufacturers Association (ATMA) and PwC India, the Indian tyre industry production volume is expected to expand around four times by 2047. [Business Line]

**How regulation is shaping a sustainable crypto assets sector in India:** For a sector that once faced a de facto ban, the crypto asset industry of India is on a sustainable path, largely due to an interplay of sovereign and self-regulation. Over the past three years, the government has rolled out tax regimes, disclosure mandates, cybersecurity duties, and full anti-money laundering coverage for the sector. [Business Standard]

**Auto component industry to touch \$200 billion by 2030:** Amidst global disruptions, India sees a golden opportunity to become a trusted manufacturing hub. Maruti Suzuki India emphasizes leveraging this moment, supported by a McKinsey report projecting significant growth in the auto component industry by 2030. [The Economic Times]

**Govt moots state panels to curb fertiliser diversion:** Government proposes state-level panels and GPS tracking to prevent diversion of subsidised fertilisers. Measures include POS machines at 3 lakh outlets and monitoring committees to ensure urea, DAP, NPK, and potash reach farmers and support rational fertiliser use. [Financial Express]

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