

Industry Matters

Weekly Updates

October 31, 2025



Economy, Industry and Policy

Upcoming reforms must target small enterprises' integration into global supply chain-Niti Aayog Vice Chairman: Niti Aayog's Vice Chairman Suman Bery stressed integrating small enterprises into global supply chains for India's industrial success. He highlighted the need to move beyond uniform approaches, focusing on state-specific strategies and developing competitive industrial ecosystems. *[The Economic Times]*

Manufacturing the one cylinder that isn't firing-NITI's Suman Bery: India has made notable progress in inclusive growth, yet its manufacturing sector remains a "cylinder that isn't firing", said NITI Aayog Vice-Chairman Suman Bery on Wednesday. *[Business Standard]*

India's rare earth plan faces fresh hurdles as China tightens exports: India's ₹7,300 crore plan to strengthen rare earth magnet production may face delays as China restricts exports of key processing equipment, raising costs and affecting project viability. *[Business Standard]*

EOUs, SEZ units exempt from silver import restrictions-DGFT: The government has clarified that recent restrictions on silver jewellery imports do not apply to export-linked entities like SEZs and EOUs. Imports by these units, however, cannot be sold in the Domestic Tariff Area. This clarification follows industry representations and aims to exempt specific authorization schemes. *[The Economic Times]*

Design' issues in production incentives: PLI and DLI have not met their objectives of value addition and improved R&D, as the programmes lack cohesion. *[Business Line]*

Single testing platform for foreign trade on the anvil: The onboarding of additional laboratories - including those under other commodity boards, export promotion councils and private sector labs - shall follow once the pilot phase goes live. *[Financial Express]*

Services sector risks falling into 'low-wage job trap'-NITI Aayog: Notwithstanding the centrality of the services sector in the Indian economy, jobs in the sector remain "overwhelmingly informal", with most workers lacking job security or social protection — creating a "low-wage trap" even as it remains the fastest-growing part of the economy, NITI Aayog observed in its latest report released on Tuesday. *[Business Standard]*

Robust, globally competitive manufacturing sector key to raise share in GDP- Niti report: India needs a strong manufacturing sector to reach 25% GDP contribution and create 100 million jobs. NITI Aayog's report highlights the need for advanced manufacturing to achieve this. This roadmap aims to make India an advanced manufacturing powerhouse by 2035. *[The Economic Times]*

Draft policy recasts labour ministry role from regulator to job facilitator: The Centre's draft labour and employment policy reflects new economic realities. But, concerns remain over its enforcement in a labour landscape marked by a massive informal sector. *[Business Standard]*

Why are 10-year bond yields sticky downwards?: The relative stickiness of the 10-year bond yield has been an enigma. When the monetary policy was announced in June it was largely expected that the 10-year bond yield, which was at around 6.20 per cent, would move closer to the 6 per cent mark. *[Business Line]*

Indian economy likely to grow faster than expected 6.6% in FY26-Poll: The Indian economy will grow slightly faster than previously expected this fiscal year, a Reuters poll showed, as economists raised their forecasts for a second straight month following a surprise 7.8 per cent expansion in the April to June quarter. *[Business Standard]*

Cooperatives prevent concentration of power and wealth: RBI's Satish Marathe It is our general policy to see that economic power does not get concentrated across India; We are looking for decentralised economic entities across the country. *[Business Line]*

Private sector capex led the way in H1FY26 with manufacturing boost: Signalling a rebound in private investments, the second quarter of 2025-26 (FY26) witnessed a near doubling in the value of new investment plans from private promoters, with fresh outlays of ₹10.55 trillion in about 1,800 projects, compared to ₹5.69 trillion a year ago. *[Business Standard]*

New GDP series to map India's digital economy and gig sector: India is set to launch a new GDP series next year, shifting its base year to 2022-23 to better capture the nation's burgeoning digital economy. This updated series will incorporate richer data from e-commerce, gig work, and digital payments, offering a more detailed reflection of economic transformation. *[The Economic Times]*

Global uncertainties presenting downside risks to the growth outlook, says Finmin: The Finance Ministry's Monthly economic review cites GST 2.0, tax reliefs, and reforms as buffers to sustain domestic demand. *[Business Line]*

Renewable' empowerment: India's economic growth hinges on unlocking the potential of its women, especially in rural areas where 79 per cent of the female labour force is concentrated. *[Business Line]*



Foreign Investment

Blackstone to invest ₹6,200 crore for 9.99% stake in Federal Bank: The Indian banking sector has seen a flurry of foreign investors investing in the sector of late. Last week, Emirates NBD announced that it will invest \$3 billion for a 60% stake in RBL Bank. *[Business Standard]*

Foreign, local co-investments in real estate surge over sixfold to \$727 mn in last three months: Foreign investors are increasingly partnering with Indian companies for real estate ventures. This co-investment strategy has seen a substantial jump, reaching USD 726.58 million in the September quarter. While direct foreign investment has declined, the rise in collaborations highlights growing confidence in India's real estate market. *[The Economic Times]*

India plans to hike foreign investment cap in state-run banks to 49%, source says: India is set to significantly increase foreign investment limits in its state-run banks. The government is considering raising the cap to 49 percent from the current 20 percent. This move aims to attract more capital and align regulations with those for private banks. *[The Economic Times]*

Foreign investments in Indian realty plunge 88% as domestic funds take lead: Amid persistent global economic pressures and policy uncertainties, the share of foreign investments dropped significantly to a yearly low of 8%. *[Business Standard]*

UK's Bill set to invest \$75 million for Blueleaf Energy's India plans: The investment will be made in Blueleaf's utility-scale solar, wind, and energy storage projects in India, and is expected to generate more than 3.2 gigawatt-hours (GWh) of clean energy annually. *[Business Standard]*



Trade Policy and Competitiveness

India's Russian oil exit may be offset by lower US tariffs-Nomura: India's shift away from discounted Russian crude should be more than offset by gains from likely lower US tariffs, Nomura Holdings Inc. said Friday. *[Business Line]*

Asia must deepen regional trade, reduce non-tariff barriers to guard against US shocks-IMF: The IMF has called on Asian nations to cut non-tariff barriers and strengthen regional trade to reduce vulnerability to US tariffs, trade tensions, and global financial shocks, its latest report said. *[Financial Express]*

Govt plans Bharat Aayat Nirayat Lab Setu to link exim testing, inspection agencies: India's foreign trade arm, DGFT, is launching a pilot of Bharat Aayat Nirayat Lab Setu. This digital platform will connect testing and inspection agencies nationwide. Exporters and importers can submit applications for product testing from November 11. The system aims to speed up certification, improve traceability, and boost trust in India's quality standards. *[The Economic Times]*

DGFT allows self-declaration of origin under India-EFTA trade pact: This move simplifies procedures for Indian exporters seeking duty concessions while exporting to EFTA nations—Switzerland, Norway, Iceland, and Liechtenstein. *[Business Line]*

As FTAs loom, India must push sector-specific efficiencies in value chains: The India-United States negotiations are reported to be "very close" to a trade deal (Business Standard, October 25, 2025). *[Business Standard]*



Corporate Governance

Reliance investments in AI infra may top \$12-15 bn-Morgan Stanley: Billionaire Mukesh Ambani's Reliance Industries Ltd may spend about USD 12-15 billion over the next few years on AI infrastructure that could include a giant 1GW data centre, Morgan Stanley said in a report. *[Business Standard]*

Made investments in Adani firms independently after due diligence-LIC: Life Insurance Corporation of India (LIC) on Saturday said its investments in Adani group companies have been made independently and in accordance with its board-approved policies, following detailed due diligence. *[Business Standard]*

M&A financing norms empower banks, with guardrails: The RBI's draft guidelines allowing banks to offer acquisition financing for M&A deals are hailed as a major new business opportunity, potentially unlocking ₹1-5 lakh crore in corporate credit. *[Financial Express]*

Group insolvency: IBC's next frontier or flaw?: Group insolvency strikes at the core of company jurisprudence. Its features should be mainstreamed into legislation. *[Business Line]*

Sebi proposes to change MF biz playbook: To protect investors, the brokerage charge has been revised from 12 bps to 2 bps for cash market transactions and 5 bps to 1 bps for derivative transactions to bring clarity and transparency. *[Financial Express]*

New RBI norms-M&As in pharma, energy, infra may get bank funding boost: Experts say that sectors such as pharma, energy and infra give banks the opportunity to get “hard collateral” (such as land, buildings and plants) against loans versus “soft collateral” or shares. *[Financial Express]*



MSMEs and Start-ups

MSMEs play key role in economic growth, employment generation-RBI DG: Reserve Bank Deputy Governor Swaminathan highlighted the vital role of MSMEs in India's economic growth. He affirmed the RBI's dedication to improving credit access for these businesses. Initiatives like ULI and Account Aggregator are enabling data-driven lending. *[The Economic Times]*

Growth in MSME book to drive TMB's loan growth, says MD: On Monday, the bank reported a net profit of ₹318 crore, up 4.9% year-on-year for the quarter ended September. Net interest income stood at ₹597 crore in Q2, nearly flat compared with ₹596 crore in the same period last year. *[Financial Express]*

MSME confidence dips modestly on US tariffs; optimism steady for Q3: SIDBI survey shows the MSME Business Conditions Index eased slightly in Q2FY26 on US tariff concerns but points to stronger optimism for Q3 and FY27. *[Business Standard]*

Simpler compliance, standardised cyber support key to MSME insurance growth- Onsurity CEO: Amid rapid digitisation, micro, small, and medium enterprises (MSMEs) in India face escalating cyber risks, remaining highly exposed to ransomware, phishing, social engineering, and data breaches due to limited security infrastructure and resources. *[The Economic Times]*

Global consumer product firms leveraging online platforms to strengthen distribution: Global consumer product companies are strongly leveraging on the online channel especially quick commerce platforms to strengthen their presence in India. In recent quarters, leading FMCG companies have stated that the quick commerce channel has been witnessing rapid growth. *[Business Line]*



Employment and Industrial Relations

PM Modi highlights youth empowerment, Rozgar Melas create over 11 lakh jobs: Prime Minister Narendra Modi on Friday said the BJP-led NDA government is working to empower the youth and has created avenues to connect candidates, who have narrowly missed government jobs, with prospective employers in the private sector. *[Business Line]*

Govt expands NPS, UPS options for central employees: LC75 and BLC: In a move aimed at giving central government employees greater flexibility in retirement planning, the government has approved the extension of LC (Life Cycle) 75 and BLC (Balanced Life Cycle) investment options under both the National Pension System (NPS) and the Unified Pension Scheme (UPS). *[Business Standard]*

Govt targets raising female share in labour force to 35% by 2030: The government has sought stakeholders' comments by October 27 before finalising the policy, which aims to create an inclusive, equitable and resilient world of work where every worker enjoys dignity, protection and opportunity. *[Financial Express]*

Structural reforms needed in India's services sector to reach the global average of 50%-NITI Aayog: Releasing a report on India's Services Sector: Insights from Employment trends and State-Level Dynamics on Tuesday, NITI Aayog said services employment rose to 29.7% in 2023-24 compared to 26.9% in 2011-12 with 40 million jobs created in the last six years. *[The Economic Times]*

8th Pay Commission's key terms get Cabinet nod; implementation likely from January 2026: The Union cabinet has approved the terms for the eighth central pay commission. This commission will revise salaries and pensions for millions of central government employees and pensioners. Headed by Justice Ranjana Prakash Desai, it will submit its report within 18 months. Recommendations are expected to be implemented from January 1, 2026. *[The Economic Times]*



Industrial Finance

Statsguru-Infrastructure financing banks on NBFCs amid lending shift: Recently, Biocon chief Kiran Mazumdar-Shaw met Karnataka's top leadership to discuss poor infrastructure in Bengaluru. Infrastructure upgradation, in general, is the need of the hour, requiring a huge corpus of funds. *[Business Standard]*

Fintech NBFCs grew faster than industry, but both show annual moderation: Operating on a small-ticket, high-volume model, fintech-driven NBFCs saw active loans grow by 25.6 per cent on an annual basis, outperforming the overall NBFC industry's 15.1 per cent growth. *[Business Standard]*

RBI panel backs cash-flow based lending, digital tools to boost MSME credit: A Reserve Bank of India advisory committee suggested cash-flow based lending and digital solutions like TReDS can improve MSME credit linkage. *[The Economic Times]*

Govt to allocate Startup FoFs to deep-tech startups-Piyush Goyal: Commerce and Industry Minister Piyush Goyal on Wednesday said the government plans to allocate the entire corpus of the next edition of the Startup Fund of Funds scheme — Rs 10,000 crore — exclusively for deep-tech startups. *[Business Standard]*

Unicorn India Ventures to close ₹1,200 cr Fund III by December 2025: The VC firm has raised over ₹1,000 crore and plans to invest 80% of Fund III in deep-tech, defence, and semiconductor startups across 20 companies. *[Business Standard]*



Technology and Innovation

HYDGEN raises \$5 million to deliver industrial-scale green hydrogen: The investment will accelerate HYDGEN's efforts to make ultra-pure, cost-efficient hydrogen available directly at the point of use through its proprietary AEM electrolyzer technology. *[Business Line]*

Accel partners with Prosus to co-invest in Indian science-led startups: Venture-capital firm Accel is partnering investment group Prosus to co-invest in early-stage Indian startups focused on breakthrough technologies including robotics, advanced manufacturing, and artificial-intelligence (AI) applications. *[Business Standard]*

AI and energy have symbiotic ties, says Chevron India's Akshay Sahni: The \$1 billion facility uses artificial intelligence to automate workflows, improve drilling efficiency, & create digital twins of LNG plants, marking Chevron's largest tech investment outside the US. *[Business Standard]*

ChatGPT Go free for Indian users for a year as OpenAI goes aggressive in its second-largest market: The move follows similar strategies by Perplexity and Google, both of which recently provided free access to premium AI features in India to attract users. *[The Economic Times]*

Big Blue-India at the heart of IBM's global playbook on AI, Cloud, quantum: IBM, the technology giant that has shaped every era of enterprise computing, finds itself at a crossroads. Known for setting industry benchmarks — whether in mainframes, middleware or artificial intelligence — IBM is betting its future on a trinity of technologies: Artificial Intelligence (AI), hybrid Cloud, and quantum computing. *[Business Standard]*

We need to focus more on building India's AI ecosystem-MeitY Additional Secy Abhishek Singh: MeitY Additional Secretary Abhishek Singh talks about the potential and need for creating home-grown AI models to ensure data localisation and the need to introduce AI and data skills in school curriculum. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

JSW Energy looks to operationalise 5 GWh battery assembly unit in Pune in 3rd quarter: JSW Energy looks to operationalise its battery assembly plant in Pune, Maharashtra, in the third quarter of this financial year, a company official said. *[Business Line]*

HUDCO inks pact with JNPA to collaborate for port infrastructure projects worth ₹5,000 cr: HUDCO has signed an initial pact with Jawaharlal Nehru Port Authority (JNPA) to collaborate for port infrastructure projects worth ₹5,000 crore. *[Business Line]*

India's maritime sector set for a big leap with \$200 billion by 2035-Mumbai Port's M Angamuthu: India is investing in deep-water transshipment ports such as Vizhinjam (Kerala) and Colachel (Tamil Nadu), reducing dependence on foreign hubs like Colombo. *[Business Line]*

India's data centre capacity to double by 2027, rise 5x by 2030-Macquarie: India's data centre (DC) capacity is expected to double based on under-construction capacity, and may increase five times by 2030 if pipeline capacity is fast-tracked, according to a report by Macquarie Equity Research. *[Business Standard]*

Government proposes new scheme for restructuring power distribution utilities with private participation: The government is preparing a new plan to reform power distribution companies. This plan may involve selling a part of the stake to private partners and restructuring existing debt. States could receive financial support for capital projects. *[The Economic Times]*



Sustainable Industrialisation

Virtual PPAs, the next big thing in RE: India will soon have a regulatory framework for virtual power purchase agreements, boosting renewable capacity. *[Business Line]*

NavPrakriti starts operation of Lithium-ion battery recycling plant in Eastern India: India anticipates a surge in EV battery waste, needing to recycle over 1.2 million batteries annually by 2030. Kolkata-based NavPrakriti has launched a lithium-ion battery recycling facility in Eastern India, utilising indigenous technology to recover critical minerals and support the circular economy. *[The Economic Times]*

KPI Green Energy gets approval for 41 MW solar and hybrid power projects: KPI Green Energy has received commissioning approval for 40.96 MW of solar and wind-solar hybrid power projects. The company also signed an MoU with Fabtech Group to develop global life sciences projects. *[Financial Express]*

India is shaping the global clean energy narrative: Praveen Kakulte, CEO of POWERCON: With India witnessing a surge in renewable power, players like POWERCON Ventures India are leveraging this growth by adopting emerging technologies like AI and ML. *[The Economic Times]*

Environmentally sustainable mobility a rapidly emerging reality-IESA: India's automotive sector is rapidly embracing environmentally sustainable mobility, with a growing consensus among manufacturers, government, and consumers. The nation is pursuing a unique multi-fuel approach, including electric, CNG, hybrid, flex-fuel, and hydrogen vehicles. *[The Economic Times]*



Sectoral News

₹13,000 crore mega plan taking shape to make India a global toy hub: Under the proposed scheme, the types of incentives are being planned - Turnover Linked Incentive (TLI), Localisation Linked Incentive (LLI) and Employment Linked Incentives (ELI) are being planned. *[Business Standard]*

GX Group to invest Rs 500 cr to set up photonics modules, chip arm in India: GX Group will invest Rs 500 crore to set up a photonic module and chip arm in India. The new facility in Manesar, Gurgaon, will create over 300 jobs. Manufacturing will begin in Bhiwadi, Rajasthan, and R&D will expand in Chennai by Q1 FY27. Chips will be available locally by October 2026. *[The Economic Times]*

Trai, DoT agree on default rollout of calling party's name: This staged approach, officials said, will ensure that deployment begins where the technology and infrastructure can best support it, minimising disruptions to legacy systems. *[Financial Express]*

Seven electronics projects worth Rs 5,532 crore cleared under component scheme: The electronics components manufacturing scheme on Monday received another push as seven projects worth Rs 5,532 crore were cleared, marking a strong industry-led response to the government's drive to localise the production of critical inputs. *[Financial Express]*

Zero GST on health insurance plans sparks 38% surge in demand: Health insurance demand has surged by 38 percent following the removal of GST. Individuals are now opting for higher coverage amounts, with the average sum insured increasing significantly. *[The Economic Times]*

India crosses 500 Gw power capacity, non-fossil sources contribute over 50%: The power ministry on Wednesday said India has achieved the milestone of crossing 500 Gigawatt (Gw) in total power capacity, with non-fossil fuel sources contributing over half of it. *[Business Standard]*

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