

# Industry Matters

Weekly Updates

December 05, 2025



## Economy, Industry and Policy

**RBI MPC 2025-Rupee firms as forex reserves rise to \$686 billion:** India's foreign exchange reserves have climbed to \$686 billion. This provides a strong 11 months of import cover. The Reserve Bank of India announced a 25-basis point cut in the repo rate to 5.25%. The rupee also saw an appreciation against the US dollar. [*The Economic Times*]

**India's manufacturing PMI eases to 56.6 in Nov as tariffs hit export orders:** India's manufacturing PMI fell to a nine-month low in November as new orders, export demand and hiring softened, with companies citing tariff pressures and fading GST-related gains. [*Business Standard*]

**Stellar growth, low inflation raise questions over need for RBI rate cuts:** India's robust growth numbers for the September quarter are raising questions about the need for lower rates even as record-low inflation gives the central bank ample room to resume reductions later this week, analysts said. [*Business Standard*]

**India can build a \$1.2-trillion bioeconomy by 2047:** India's bioeconomy has expanded 16-fold over the past decade — from \$10 billion in 2014 to over \$165 billion in 2024. With the right policy architecture, it can exceed \$1.2 trillion by 2047, becoming a major pillar of Viksit Bharat. [*Business Line*]

**CII flags \$1 tn green funding gap, seeks new finance body in Budget 2026:** The Confederation of Indian Industry (CII) has asked the Centre to set up a dedicated green finance institution (GFI) in the upcoming Union Budget. This, it said, would help address India's widening green investment deficit, estimated at nearly \$1 trillion over the next 10-15 years and about \$10 trillion by 2070. [*Business Standard*]

**Inflation targeting and Viksit Bharat at 2047: A framework for review:** Central banking is forward looking. India is pursuing a path of Viksit Bharat@2047 (VB) since last year. To ensure rapid growth, two factors are most important — optimal utilisation of labour and capital. In India, fortunately, labour is available in abundance, with nearly 67.3 per cent of the population, or about 93 crore people, between the working age of 15 and 59 years. [*Business Standard*]

**December monetary policy a close call; all eyes on RBI's communication:** With inflation at a record low of 0.25% and robust GDP growth, the RBI faces a close call between supporting the economy and a weakening rupee. [*Business Standard*]

**Statistical paradoxes in a fast growing economy:** India's GDP data continue to veer into irrelevance for most economic agents, who are behaving very differently from what robust growth would dictate. [*Business Line*]

**In era of AI and climate change, energy policy must navigate new trade-offs and dilemmas:** Should we turn to the cheapest supplier to accelerate the competitiveness and pace of the green transition? Or should we be cautious because of the security implications of overdependence on one supplier — China, at that? [*The Indian Express*]

**India's GDP data robust, new series in February:** India's gross domestic product (GDP) calculation is based on updated and dynamic trends such as Unified Payments Interface (UPI), ecommerce, transport & food aggregators and electric vehicles, officials said amid concerns over the quality of official data. *[The Economic Times]*

**Digitalisation, new financial products call for timely global tax info exchange-Nirmala Sitharaman:** Finance Minister Nirmala Sitharaman emphasized global cooperation for timely tax information exchange. Digitalization and new financial products demand joint efforts. Artificial intelligence and judgment will ensure measurable outcomes from exchanged data. *[The Economic Times]*

**Towards measuring the economy more accurately:** The govt has upgraded statistical systems to capture job, output, income, consumption and investment data more reliably and frequently. *[Business Line]*

**India's e-commerce growth continues to outpace global market-Elara Capital:** Karan Taurani says that advertising is also shifting in India to digital mediums as brands chase high-ROI performance channels, directly benefiting ad-tech players such as Affle, with direct customer relations. *[Business Line]*

**India's bankruptcy regime gains global boost; S&P lifts jurisdiction ranking:** S&P Global Ratings has upgraded India's insolvency regime to Group B from Group C, citing improved creditor-friendliness and a record of successful resolutions under the IBC. The code has strengthened credit discipline, leading to increased recovery rates and reduced resolution times for bad loans, though further observation is needed on certain aspects. *[The Economic Times]*

**As India transitions to clean energy, it must empower states for task:** India's energy landscape over the past decade has been a remarkable transformation story in the nation's growth. A system strained by chronic power shortages has evolved into one capable of reliably meeting near-record peak demand of 250 gigawatts with minimal disruption. *[Business Standard]*



## Foreign Investment

**FDI into India rises 18% in April–September, US inflows more than double:** Government data shows that inflows from the US more than doubled to \$6.62 billion, making it one of the strongest contributors during the period. *[Business Line]*

**JFE to invest ₹15,750 cr in JV with JSW to run Bhushan Power, target 10 MT steel capacity by 2030:** JFE Steel and JSW Steel have formed a joint venture to operate Bhushan Power & Steel Limited (BPSL), marking a significant overseas investment in India's steel sector. JFE will invest ₹15,750 crore for a 50% stake in JSW Kalinga Steel, aiming to boost BPSL's capacity to 10 million tonnes by 2030 and meet India's growing steel demand with value-added products. *[The Economic Times]*

**Diversification, investment cooperation key to \$100-billion trade goal with India: Russian Deputy PM:** Negotiations for a Free Trade Agreement have been launched, with the first round recently held in New Delhi, Russian First Deputy Prime Minister Denis Manturov said. *[Business Line]*

**Govt not considering hike in FDI limit to 49% for public sector banks-MoS Finance:** The government has ruled out raising the FDI limit in public sector banks to 49%, maintaining the cap at 20%. The Finance Ministry also detailed RBI approval norms and PSB shareholding patterns. *[Financial Express]*



## Trade Policy and Competitiveness

**Quality control order rollbacks should be the start of bigger cleanups:** The government defers quality control orders on steel and chemicals, signaling a shift from a protectionist trade regime that hurt downstream industries. *[Business Standard]*

**Tariffs batter India's exports to US; GTRI suggests rolling out Export Promotion Mission:** Between May and October 2025, shipments fell 28.5%, plunging from \$8.83 billion to \$6.31 billion, according to trade-focused think-tank Global Trade Research Initiative. *[Business Line]*

**China's pricing power likely undercutting India's export dreams:** India's October 2025 export data reveals a paradox: electronics surged 19%, driven by smartphones, while most other major categories shrank. Aggressive Chinese competition and tariff pressures are squeezing India's export potential, with traditional markets increasingly dominated by Chinese goods, necessitating targeted interventions to revive key sectors. *[The Economic Times]*

**Bilateral trade settlement in local currencies in textiles, chemicals, metals to aid intra-APAC trade:** Asia Pacific economies are urged to boost local currency trade invoicing for goods like textiles and metals, potentially extending to services and finance. India Exim Bank highlights the need for interoperable digital systems and payment networks to facilitate seamless cross-border settlements. Regional cooperation and modernized infrastructure are key to enhancing trade efficiency and resilience. *[The Economic Times]*

**Export promotion measures launched to offset tariffs:** India is actively working to lessen the effects of the US tariff increase on its exports. The government is launching an export promotion mission to boost trade diversification and resilience. *[The Economic Times]*

**India's trade crossroads: Navigating global headwinds, building resilience:** India's trade report for October this year is a reminder that even fast-growing economies face external shocks that test both resilience and vulnerability. *[Business Standard]*



## Corporate Governance

**Govt eases 'small company' rules, more firms to benefit:** The government has expanded the definition of small companies. This change allows more businesses to benefit from easier compliance rules and quicker merger processes. Companies with paid-up capital up to ₹10 crore and turnover up to ₹100 crore now qualify. *[The Economic Times]*

**Maruti Suzuki completes merger with SMG, authorised capital up ₹15,000 cr:** Maruti Suzuki India on Monday said the scheme of amalgamation with Suzuki Motor Gujarat has become effective from today. Consequent to the effectiveness of the scheme, there has been an increase in the authorised share capital of the company by an amount of ₹15,000 crore the auto major said in a regulatory filing. *[Business Standard]*

**Tata Motors strengthens lead as India's EV demand softens:** Vietnam's Vinfast, the recent entrant in the Indian EV cars space, is making rapid strides in the Indian electric cars market. *[Business Line]*

**Company Outsider-Is LIC an insurer of India's millions or a tool for strategic interventions?:** The answer likely lies in resolving LIC's core tension—between being a fiduciary guardian of policyholders' wealth and acting as a strategic instrument of the state, where opaque exceptions erode trust. *[Mint]*



## MSMEs and Start-ups

**Why there is a need to redesign credit instruments for women:** Women entrepreneurs in India face significant credit barriers, with many businesses citing credit shortfall as a major impediment. Initial findings from a study of fintechs highlight the need for redesigned credit products, moving beyond traditional scoring to alternative data and flexible repayment options. *[The Economic Times]*

**Groww, Pine Labs IPOs spark fresh deal flow for fintech startups:** India's fintech sector is buzzing with activity. Startups are securing new funding after a period of slowdown. Policy clarity on lending and payments has boosted investor confidence. Successful IPOs of Pine Labs and Groww are also encouraging. *[The Economic Times]*

**Fintech firm Zaggle acquires Rio Money for Rs 22 crore; plans to invest Rs 75 crore post-acquisition:** Earlier in July, Zaggle had informed the stock exchanges that it plans to take a 100% stake in Rio.Money in a bid to enter consumer credit on UPI. Having closed the acquisition now, Zaggle plans to invest the additional funds into the company to scale up its suite of products. *[The Economic Times]*

**Startups are filing more patents than ever but this is largely about optics getting the better of innovation:** India's startups have been applying for patents at a record pace, but a lack of follow-up efforts to obtain them shows that too much of it is just a marketing tactic to project an innovative image and impress investors. Here's what India must change to fix awry incentives. *[Mint]*



## Employment and Industrial Relations

**EPFO pension and PF cover to self-employed, gig staff? Here's what we know:** The Centre reportedly is planning to ask EPFO to design new provident fund and pension schemes for self-employed and gig workers under the Social Security Code, offering flexible contributions. *[Business Standard]*

**Statsguru-Labour pain may give birth to a new era with new Codes:** The new codes, consolidating 29 laws, promise enhanced social security for gig workers and women, amid data showing rising wages but high wealth inequality. *[Business Standard]*

**Biggest reform in laws since 1947 to spur jobs, investment-Labour secy:** The new laws are expected to create 7.7 million additional jobs and bring down unemployment by as much as 1.3 per cent over the medium term, according to a Nov 25 report by SBI Research. *[Business Standard]*

**New Labour Codes-The main challenge with Indian policy is its execution:** India's new labour Codes promise sweeping reform, but weak state capacity, patchy data, and political risk may once again turn ambitious legislation into uneven, middling execution. *[Business Standard]*



## Industrial Finance

**Indian govt, ADB sign \$800 mn loan pacts for key projects in three states:** The government of India and the Asian Development Bank (ADB) has signed agreements for three loans worth over USD 800 million for projects in Maharashtra, Madhya Pradesh and Gujarat. *[Business Standard]*

**CEA flags bond market skew, calls for wider access for mid-sized firms:** Chief Economic Advisor V Anantha Nageswaran on Friday flagged the concentration of large and well-rated companies in the bond market for raising funds, and said there is a need to enable mid-sized firms to access markets "systematically and affordably". *[Business Standard]*

**Corporate loan growth to hit double digit, ₹7 trn credit in pipeline-SBI:** The SBI Chairman also said that the bank may not need equity capital to drive credit growth and maintain a capital adequacy ratio of 15 per cent over 5-6 years. *[Business Standard]*

**Funding squeeze pushes 5 million out of formal finance-MFIN:** A continued funding squeeze and cautious lending led to 50 lakh micro-borrowers exiting formal finance, despite improved short-term portfolio quality metrics. *[Financial Express]*

**India's Piramal Finance targets \$1.67 billion of preferably local borrowing by March:** Piramal Finance intends to secure approximately Rs 15,000 crore between December and March. This borrowing will primarily be sourced locally. The company aims to reach assets under management exceeding one trillion rupees by March. *[The Economic Times]*



## Technology and Innovation

**Tata Communications arm acquires 51% in AI firm Commotion for Rs 227 crore:** Tata Communications has acquired a 51% stake in US-based AI SaaS firm Commotion for nearly Rs 227 crore to accelerate its AI-first strategy and product innovation. *[Financial Express]*

**UPI payments in India register steady growth YoY in November 2025:** Unified Payments Interface, or UPI, has seen a significant surge in transactions. In November 2025, UPI recorded over 19 billion transactions valued at Rs 24.58 lakh crore. This marks a substantial increase from previous years, highlighting the growing adoption of digital payments across India. *[The Economic Times]*

**A blueprint for responsible, resilient growth:** Technology and Artificial Intelligence (AI) are reshaping global production, trade, and services, from digital payments and automated manufacturing to precision healthcare and advanced defence systems. *[Business Line]*

**How AI rewired work and life-The always-available partner for daily tasks:** It's been three years since AI disrupted daily life with the launch of ChatGPT. It is now ubiquitous and, even amid fears of job losses and a looming bubble, the future is more rather than less AI. *[Business Standard]*



## Industrial Infrastructure, Clusters and SEZs

**Green power to play key role in India's energy mix by 2047-Secretary:** As India's energy appetite continues to escalate, it opens an exciting landscape for growth across nuclear, renewable, and thermal energy sectors. By the milestone year of 2047, green energy is expected to be at the forefront, showcasing pioneering initiatives such as floating solar arrays and agri-photovoltaic installations. *[The Economic Times]*

**Chinese co Envision Group mulls India battery plant as storage demand rises:** China's Envision Group is considering a \$34 million battery plant in India, aiming for a 5 GWh annual capacity to support the country's renewable energy grid upgrades. The company plans to localise rack and software infrastructure, while procuring cells from China. *[The Economic Times]*

**IndiGrid to buy ISTS project from ReNew Power for ₹372 crore:** GTL is a Build-Own-Operate-Maintain (BOOM) ISTS asset, and the first phase of the transmission scheme envisaged to evacuate around 2,500 MW of solar power from the Gadag Solar Energy Zone in Karnataka. *[Business Line]*

**Adani Group plans \$15 billion India airports expansion by 2030:** Adani Group plans a significant \$15 billion investment over five years to expand its airport passenger capacity to 200 million annually. This expansion, including new terminals and runways, aims to support India's booming aviation sector and bolster its airport unit's upcoming initial share sale. *[The Economic Times]*

**Kamarajar Port to implement ₹44,000 crore Galathea box transshipment port:** The thinking is that, as a company Kamarajar Port Ltd is in a better position to raise money from the market or to get equity inducements into the project than any major port authority an official said. *[The Economic Times]*

**India to become fastest-growing renewable energy market by 2030-WEF:** A World Economic Forum report says India will lead global growth in renewable capacity and generation through 2030, driven by higher clean-energy investment and policy support such as PLI schemes. *[Business Standard]*



## Sustainable Industrialisation

**Hyundai, Tata want govt to scrap emission concessions benefitting Suzuki:** India's biggest carmakers including Tata Motors and Hyundai want the government to scrap a weight-based emission concession for small cars under planned new efficiency rules, a move they say would benefit just one company, letters seen by Reuters show. *[Business Standard]*

**M&M to build high-power highway network as it expands EV portfolio:** Mahindra plans to deploy 1,000 ultra-fast highway chargers by 2027 across 250 major corridors, complementing its growing INGLO-based electric SUV lineup and rising EV production capacity. *[Business Standard]*

**Vietnam's VinFast to launch electric 2-wheelers in India in 2026, feasibility studies underway:** The automaker has a lineup of at least six electric scooters, with varying degrees of battery capacity and claimed range, and could start by launching two of them in the Indian market, which is currently dominated by offerings from legacy manufacturers Bajaj and TVS, along with start-ups like Ather and Ola Electric. *[The Indian Express]*

**Clean industrialisation not impediment but catalyst for economic expansion-Bhupender Yadav:** India's Environment Minister Bhupender Yadav stated clean industrialisation drives economic growth. Decarbonizing manufacturing is crucial for export competitiveness. India's non-fossil power capacity exceeds 50 percent. *[The Economic Times]*

**Websol, Linton to explore PV ingot, wafer manufacturing in India:** High-efficiency solar cells and modules maker Websol Energy System on Tuesday said it has inked an initial pact with Linton to explore the possibility of PV ingot and wafer manufacturing facility in India. *[The Economic Times]*

**Indian firms like L&T, ITC step up green goals with bigger renewable, recycling, and net-zero commitments:** Indian companies like L&T, ITC, NetApp, Titan and Genpact are boosting renewable energy use, recycling, EV adoption and water conservation as they push toward stricter sustainability and net-zero goals. *[The Economic Times]*

**Govt needs long-term framework to attract global capital in green hydrogen-L&T:** To rapidly scale-up production of green hydrogen and ammonia in the country, and attract global capital in the segment, the Centre needs a systematic long-term framework, said to a top official in Larsen & Toubro. *[Business Line]*

**LNG must compete with coal, solar and batteries to grow in India's energy mix-experts:** The PNGRB's "Vision 2040" report calls for proactive gas infrastructure development, but analysts say LNG will have to compete with cheaper domestic coal, expanding solar capacity, batteries and pipeline gas. *[Business Line]*



## Sectoral News

**Big reset for insurance sector as govt readies sweeping reform Bill:** To implement the higher FDI cap, the government will amend the Insurance Act, 1938, the Life Insurance Corporation Act, 1956, and the Insurance Regulatory and Development Authority Act, 1999. Sitharaman has already indicated that the draft Bill will be tabled in Parliament shortly. *[The Indian Express]*

**Electronics and chip firms take a liking to new states entering fray:** India's electronics and semiconductor manufacturing landscape is rapidly expanding beyond traditional hubs. New states like Odisha, Madhya Pradesh, Jammu and Goa are emerging as attractive investment destinations, drawing significant capital for advanced manufacturing facilities. *[The Economic Times]*

**Steel panel meets companies on import substitution of high-value products:** In a bid to bolster local industry, a parliamentary committee is advocating for the domestic production of essential steel components. Leading manufacturers gathered to strategize on replacing imports of premium materials essential for transformers and automotive manufacturing. *[The Economic Times]*

**Government proposes new spectrum sharing rule for telcos under new rules:** As per the illustration given in the latest draft rule, a service provider holding frequencies in a different band can share them with other operators having spectrum in a separate band but within the same category and telecom circle. *[The Economic Times]*

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