

Industry Matters

Weekly Updates

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Economy, Industry and Policy

ICRA expects extended policy rate pause, unless economic growth moderates: An extended pause on policy rates is expected going ahead unless India's economic growth materially undershoots the projections, rating agency ICRA has asserted in a report. *[Business Line]*

India in a different league'-PM Modi credits economic reforms for India's 8.2% GDP growth: Prime Minister Narendra Modi on Saturday said India's economic performance has positioned it as a major engine of global growth at a time when the international economy is facing widespread uncertainty and slowdown. *[Financial Express]*

India's strong growth, tech demand brighten prospects for developing Asia-ADB: ADB projects that the region will grow at 5.1% in 2025, up from 4.8% forecast in September; it has also raised the growth forecast for 2026 to 4.6% from 4.5% earlier. *[Business Line]*

India's CAD seen manageable at 1% of GDP despite tariff-led export slump-CareEdge: India's trade landscape presents a tapestry of contrasts. While merchandise exports are facing headwinds from tariff challenges, the services sector shines brightly, bolstering the nation's economic stability. Analysts anticipate that the current account deficit will stay within a bearable range. *[The Economic Times]*

Declining dependence-Declining MGNREGA demand is a positive sign: This improvement is attributed to multiple factors, including stronger real wages in both agricultural and non-agricultural work, increased tractor and fertiliser sales, healthy growth in farm credit. *[Business Standard]*

Budget 2026-What is fiscal policy? How does it differ from monetary policy?: India Budget: Fiscal policy guides government revenue and spending to maintain economic health, addressing deficits through borrowing or reserves. It aims to control inflation, generate employment, and boost investments. *[The Economic Times]*

India closes 2025 with strong industrial growth, startup expansion, and boost in investment-DPIIT Year-End Review: The Department for Promotion of Industry and Internal Trade (DPIIT) has released its 2025 Year-End Review, highlighting major progress across manufacturing, startups, infrastructure connectivity, logistics reforms, and intellectual property rights, supported by the government's flagship industrial and digital initiatives. *[The Tribune]*

High cost of anti-immigration policies: Backlash risks growth, innovation: Immigration has become the central fault line in contemporary politics. Nowhere is this more evident than in the United States (US) and the United Kingdom (UK), where the rhetoric is becoming increasingly absurd. The underlying economics, however, are remarkably straightforward. *[Business Standard]*

India's strong fundamentals to support 7% growth despite global risks, finance minister says: India's economy is set for strong growth this year, with projections at least 7 percent. Finance Minister Nirmala Sitharaman stated that the economy's fundamentals are robust. Consumer spending is expected to remain resilient. The Reserve Bank of India has also raised its GDP growth forecast. *[The Economic Times]*

Budget should reemphasise infrastructure, push private participation: Revive PPPs, enable group taxation for infra SPVs, fund high-speed rail separately, and prioritise urban projects to reignite growth, argues infra expert. *[Business Standard]*

Customs overhaul to be focus in next set of reforms-Finance Minister Nirmala Sitharaman: Finance Minister Nirmala Sitharaman expressed confidence in India's economy growing at 7% or more this fiscal year, despite global headwinds. She also highlighted plans to reduce import duties and improve the income tax regime, while cautioning fiscally strained states against financing 'freebies' through borrowings. *[The Economic Times]*

A rate cut was actually needed: The Monetary Policy Committee's decision to cut the policy rate by 25 basis points to 5.25 per cent, on the conclusion of its last bi-monthly meeting of 2025 on December 5, was contrary to the 'consensus' opinion of a few senior bankers and also the majority opinion of a panel of economists polled earlier in this regard. *[Business Line]*

Simplification of customs will be next big reform, says Finance Minister: There is a need to bring the virtues of income tax to the customs side in terms of transparency, she said, adding that the proposed reforms will be comprehensive and entail customs duty rate rationalization. *[Business Line]*



Foreign Investment

Vietnamese major Vingroup plans \$3 billion investment in Telangana: Vingroup has signed an MoU with Telangana for a proposed \$3 billion phased investment spanning an electric taxi fleet, a mobility platform, a Vinhomes smart city, social infra and renewable energy. *[Business Standard]*

Microsoft bets big on India's AI journey, announces \$17.5 billion investment by 2030: American tech-giant Microsoft on Tuesday announced an investment of \$17.5 billion in India between 2026 and 2029, the largest in Asia and among the biggest by a tech company so far. *[Business Line]*

Finance Ministry increases foreign investment limit in AU Small Finance Bank to 74%: The Finance Ministry has raised the foreign investment cap in AU Small Finance Bank to 74% from 49%, requiring prior approval for FDI. This move aims to provide ample room for foreign investment through permissible channels. Foreign portfolio investors held 34.5% of the bank's shares as of September 30. *[The Economic Times]*

UK firms boost India presence, turnover hits Rs 5,693 bn as FTA growth unlocked: UK companies are significantly expanding their presence in India, with a collective turnover of Rs 5,693 billion and 552,902 employees. The Free Trade Agreement is expected to unlock further growth across advanced manufacturing, clean energy, and digital trade, fostering innovation and job creation for both economies. *[The Economic Times]*

ATGC Biotech, Israel's Luxembourg Industries form Semiophore crop-tech JV: The JV plans to commercialise 18 semiochemical and pheromone technologies developed by ATGC Biotech in multiple international markets, including Israel, Brazil, Australia and countries in Africa. *[Business Standard]*



Trade Policy and Competitiveness

India can expand exports to Russia from \$5 billion to \$35 billion by 2030-GTRI: The report shows that even though bilateral trade is touching \$70 billion, India's exports stay below \$5 billion while imports from Russia remain dominated by crude oil. *[Business Line]*

CBAM changes trade rules-India needs carbon pricing, not exemptions: Discussion on global warming has existed since the early 1990s. For decades, this remained in the domain of conferences, treaties, and corporate social responsibility reports. Practical people often ignored it. *[Business Standard]*

Exim Matters-India-Russia targets are big, but businesses are cautious: While bilateral targets are ambitious, exporters wary of payment, logistics risks; deeper ties with West still drive business pragmatism. *[Business Standard]*

High-value parts push up electronics firms' import bill: Industry executives attributed the rebound to greater imports of high-value parts and a weaker rupee, even as the government's Make in India campaign has so far failed to reduce imports by value for most of the companies since 2018-19, the filings revealed. *[The Economic Times]*

Export Promotion Mission sets unified path to strengthen India's export competitiveness: India took a major step to strengthen its export ecosystem with the launch of the Export Promotion Mission (EPM), a unified framework approved in the Union Budget 2025-26. The Mission was designed to provide Indian exporters, especially MSMEs and first-time exporters, with simpler, faster, and more coordinated support. *[The Economic Times]*

Duty concessions on auto components in FTA need calibrated approach-Assocham Prez: Assocham President Nirmal Kumar Minda has cautioned against a blanket reduction in import duties on auto components under the proposed trade pact with the EU, saying such concessions must be "calibrated" to avoid hurting domestic manufacturers, particularly MSMEs. *[Business Line]*



Corporate Governance

SEBI board to take up 11 proposals on December 17: The Securities and Exchange Board of India (SEBI) will consider 11 regulatory proposals at its board meeting on December 17, covering major overhauls of broker regulations, mutual fund expense structure, administration of exchanges and the introduction of a closing-auction session. *[Business Line]*

Amazon to invest \$35 billion in India by 2030 across its businesses: E-commerce giant Amazon plans to make a mega investment of \$35 billion — more than ₹ 3.14 lakh crore — in India by 2030 across its businesses with a focus on AI-driven digitisation, export growth and job creation, a senior company official said on Wednesday. *[The Hindu]*

Indian arms of MNCs find place in the sun: ITC accounts for over a fourth of its parent BAT Plc's revenue; Hindustan Unilever contributes 10-11 per cent to Unilever's annual turnover; Whirlpool of India around 5 per cent to Whirlpool Corp, and Colgate India accounts for 4-5 per cent of its parent's global revenue. *[Business Line]*

Tata Steel to acquire majority stake in Thriveni Pellets to boost raw material supply chain: In a strategic leap forward, Tata Steel is gearing up to take the reins of a majority share in Thriveni Pellets. This acquisition is poised to strengthen Tata Steel's supply chain, particularly in the vital realm of raw materials. *[The Economic Times]*



MSMEs and Start-ups

Startups eye African countries for next leg of growth: Africa is rapidly becoming a major growth market for Indian startups, with platforms like Leverage Edu, QueueBuster, and SUN Mobility making early inroads. *[Financial Express]*

MSME Boom-7.2 crore new entrants in 5 years, but 1.2 lakh shut down– Decoding the trend: In a written reply to an unstarred question, Minister of State for MSMEs Shobha Karandlaje said that registrations on the Udyam Registration (UR) portal and the Udyam Assist Platform (UAP) stood at 7,22,32,207 as of November 30, 2025. *[Financial Express]*

Skill shortages and policy delays hindering MSME growth in Vijayawada, say stakeholders: Industry experts and stakeholders say these firms need stronger policy support and the next round of innovation to move to the next level. *[The Economic Times]*

SPF, govt plan steps to retain and draw back Indian deeptech tech talent: The Startup Policy Forum is working with the government on a scheme to retain and bring back high-tech talent, while deeptech start-ups seek fixes to procurement rules and certification delays. *[Business Standard]*

High activity start-up hubs see larger share of closures: States with relatively mature start-up ecosystems and a ready availability of early stage capital are seeing a larger share of such entities closing shop. According to data from the Department for Promotion of Industry and Internal Trade (DPIIT), a total of 6,385 recognised start-ups have been categorised as closed (dissolved/struck-off) as on October 31 2025. *[Business Line]*



Employment and Industrial Relations

New labour codes 2025-How variable pay and basic salary affect EPF, gratuity calculations: India's new labour codes require 50% of CTC to be factored into social security calculations, affecting EPF and gratuity contributions. Employers and employees prepare for changes as final implementation rules are expected in coming months. *[The Economic Times]*

8th pay commission-Govt shares major update in Lok Sabha. Here's what's next for employees and pensioners: The government has confirmed that over 50.14 lakh Central employees and 69 lakh pensioners will fall under the 8th Central Pay Commission (CPC), though the timing of its implementation and funding will be decided later. *[The Economic Times]*

Experts call for stronger policies to boost women's participation in platform economy: NITI Aayog member Arvind Virmani emphasized that skill development and increased women's participation are crucial for India's economic growth. The government is committed to boosting female labor force participation through policies like the new Labour Codes, aiming to ensure equal opportunities and social security for women in the platform economy. *[The Economic Times]*

Labour Codes can revive workforce and industry, but gaps remain: India's new Labour Codes aim to modernise 29 laws into four integrated frameworks, expand social security, and simplify compliance to boost manufacturing and global competitiveness. *[Business Line]*



Industrial Finance

TEAM Angels set for maiden funding, focuses on AI firms: TEAM Angels, a founder-led investment syndicate under the Tech Entrepreneurs Association of Mumbai (TEAM), is set to announce its first two investments soon, focusing on Mumbai-based, AI-native startups with cheque sizes ranging from ₹5 lakh to ₹1.5 crore. *[Financial Express]*

Financial services major Edelweiss new fund eyes ₹13,500 crore corpus: EAAA Alternatives, a unit of financial services major Edelweiss group, is planning to raise up to \$1.5 billion (around ₹13,500 crore) for

medium-long term investments in sectors like industrial products, manufacturing, automobiles, chemicals and pharma. *[Business Standard]*

IIFCL's \$500-m ECB oversubscribed five times, at lowest cost: India Infrastructure Finance Co. Ltd. successfully raised \$500 million through external commercial borrowing. The borrowing was oversubscribed five times, securing funds at the lowest cost for a 15-year term. This move strengthens IIFCL's capacity to finance crucial infrastructure projects across India. *[The Economic Times]*

FincFriends secures Rs 313 crore in debt funding to accelerate digital lending growth through RupeeRedee: FincFriends Private Limited, has signed a term sheet amounting to Rs 313 crore in debt funding between August and November 2025 to strengthen its digital lending operations through its flagship platform, RupeeRedee. *[The Economic Times]*

BYT Capital launches ₹180 crore deep-tech fund to back frontier innovation: BYT Capital has launched a ₹180 crore Category II AIF focused on deep-tech, targeting 18-20 startups with ₹3-6 crore initial cheques and a 55 per cent follow-on reserve. *[Business Standard]*

Spurring innovation-BIRAC, TDB may manage key tranches of ₹1 trn RDI fund: BIRAC and TDB are expected to be named second-level fund managers for the ₹1-trillion RDI fund, enabling long-term low-cost capital flow to biotech and deeptech startups. *[Business Standard]*



Technology and Innovation

Redefining the future of enterprise in the age of Agentic AI: If AI agents can run operations end-to-end from anywhere, are GCCs still essential? It's a question top of mind for many enterprise leaders as Agentic AI moves from concept to capability. *[Business Line]*

India makes its bets as AI chip race hots up; startup costs may fall: The country is expanding computing power for its AI mission. That's happening as rising competition between Google, Nvidia and other technology giants may lead to lowering costs for domestic startups. *[Business Standard]*

With 49% India's UPI world's largest real-time payment system-IMF: The International Monetary Fund (IMF), in its June 2025 report "Growing Retail Digital Payments (The Value of Interoperability)," has recognised India's Unified Payments Interface (UPI) as the world's largest retail fast-payment system by transaction volume, according to PIB. *[Financial Express]*

Deloitte launches AI-powered search platform Tax Pragya: Deloitte India has launched Tax Pragya, an AI-powered platform designed to speed up tax research and provide clear, reliable insights. It can search, summarise and solve complex tax issues across Income Tax, GST and Transfer Pricing, supported by over a million cases and Deloitte's own expert material. *[The Economic Times]*

In world first, India moves to compel AI developers to pay creators for model training data: In a significant step towards establishing a legal framework for balancing copyright with evolution of generative AI ecosystem in India, the government on Tuesday proposed a mandatory licensing regime for AI developers that accompanies a statutory remuneration right for content creators. *[Business Line]*



Industrial Infrastructure, Clusters and SEZs

Reliance Infra setting up integrated solar manufacturing ecosystem: The facility will bridge large demand-supply gap as India will need 55-60 GW of solar modules annually by 2030, while upstream capacity remains significantly short. *[Business Line]*

HD Hyundai to build \$2 billion shipyard in Tamil Nadu; expands defence, crane partnerships in India: South Korea's HD Hyundai has signed an exclusive agreement with the Tamil Nadu government to develop a new shipyard worth an estimated \$2 billion, while also expanding its partnerships with BEML for crane manufacturing and Cochin Shipyard for naval projects as it deepens its India push. *[Financial Express]*

Welspun One to develop logistics park in Pune's Talegaon with Rs 550-cr investment: Welspun One has acquired a 46-acre land parcel in Pune's Talegaon from MIDC to develop a 1.2-million-sq-ft logistics park with a Rs 550 crore investment. This strategic expansion strengthens its presence in a key industrial hub, aiming to cater to high-growth sectors and enhance regional distribution capabilities. *[The Economic Times]*

After China, Kolkata Port eyes direct shipping services to more East Asian countries: Following an overwhelming response to the direct weekly shipping service to China via Syama Prasad Mookerjee Port, Kolkata, the port is exploring the possibility of establishing direct services to other East Asian countries. *[Business Line]*

India, Sweden partner to kick-start 7 breakthrough decarbonisation projects in steel & cement sectors: India and Sweden are joining forces for a cleaner industrial future. Seven projects will explore new ways to cut emissions in steel and cement production. These initiatives aim to use hydrogen in steelmaking and recycle materials for green cement. *[The Economic Times]*

Vedanta to invest Rs 1 lakh cr in Rajasthan to ramp up output: Vedanta Limited will invest Rs one lakh crore in Rajasthan. This investment aims to double production across zinc, lead, silver, oil & gas, and renewable energy. The company is also establishing a zinc park to support MSMEs. North India's first phosphate fertiliser plant is also being set up. *[The Economic Times]*

Google for Startups Hub launches in Hyderabad's T-Hub-Free spaces for a year, training for founders — What's inside?: The dedicated Google-branded space in Hyderabad will house scores of new startups, becoming the first Google for Startups Hub set up by the tech giant as part of Telangana's broader incubation and innovation ecosystem. *[Mint]*



Sustainable Industrialisation

Adani Green adopts TNFD framework, shifts towards nature-positive renewable energy development: The Taskforce on Nature-related Financial Disclosures provides a structured framework for organisations to identify, assess, manage and disclose nature-related risks and opportunities. *[Business Line]*

India achieved 50% of electricity capacity from non-fossil fuels-MNRE: India has already achieved 50 per cent of its installed electricity capacity from non-fossil fuel sources, five years ahead of the target set under its Nationally Determined Contributions to the Paris Agreement. *[Business Standard]*

India emerges as key driver of global renewable energy surge-Joshi: India has achieved a record 31.25 GW of green energy capacity this fiscal year, with solar power contributing 24.28 GW. Union Minister Pralhad Joshi announced a 1.5 lakh rooftop solar model for Odisha, set to benefit 7-8 lakh residents. The nation's solar capacity has surged dramatically, positioning India as a key driver in the global renewable energy surge. *[The Economic Times]*

Govt urges lenders to deepen investment in solar manufacturing: The MNRE clarified it has not halted solar financing but urged financial institutions to take a calibrated approach and expand their focus beyond module manufacturing into upstream solar PV segments (cells, wafers, polysilicon) to support India's goal of a fully indigenous solar value chain. *[Financial Express]*

Anil Ambani Group companies bet big on green energy-Plan integrated solar facility, expansion of Reliance NU Energies: Anil Ambani-led Reliance ADAG is building two major clean-energy platforms — an integrated solar manufacturing factory and a full battery & BESS ecosystem — while Reliance NU Energies expands into round-the-clock renewable power with solar, wind and storage capacity. *[Financial Express]*



Sectoral News

Insurance ombudsman reforms-New penalties, online complaint system and appellate authority: The Finance Ministry proposes major insurance ombudsman reforms. These changes aim to strengthen policyholder protection and improve claim settlement, but implementation and awareness remain critical for success. *[The Economic Times]*

RBI rate cut to enhance affordability, aid further growth of auto industry-SIAM: The RBI's 25 basis point interest rate cut, alongside GST reforms and budget tax relief, is expected to boost the Indian auto industry. Industry body SIAM believes these measures will enhance consumer affordability and accessibility, accelerating industry growth. *[The Economic Times]*

EPC sector emerges as major job engine, poised for 25 mn roles by 2030: India's EPC sector is poised for significant growth, with projections indicating the creation of over 25 million jobs by 2030 due to expanding infrastructure development. The sector has already seen a substantial surge in hiring demand since 2020. *[The Economic Times]*

Tata Electronics, Intel sign MoU to explore chip making, packaging in India: Tata Electronics and Intel have signed an MoU to explore making Intel products at the Dholera fab and packaging chips at the Guwahati OSAT facility for the India market. *[Business Standard]*

Trai moots up to 55% cut in backhaul spectrum fees to reduce telcos' cost: Telecom operators may soon see significant cost reductions. The Telecom Regulatory Authority of India has recommended slashing backhaul spectrum prices by up to 55%. This move aims to improve service quality and boost the use of backhaul carriers. The regulator is shifting to a uniform rate for spectrum pricing. *[The Economic Times]*

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