

WISHING YOU A VERY HAPPY  
**NEW YEAR**

**2026**

## Industry Matters

Weekly Updates

January 02, 2026



### Economy, Industry and Policy

**Govt issues EoI for unified customs portal to integrate ICEGATE, RMS, ICES:** CBIC has floated an EoI to shortlist up to eight bidders for building a Customs Integrated System that unifies ICEGATE, RMS and ICES to cut cargo clearance time. *[Business Standard]*

**India inflation likely to remain low in 2026, new CPI series on anvil:** India is preparing to rejig methodology for computing CPI and revamp monetary policy mandate for targeting retail inflation in 2026 after a year of benign price situation due to subdued food cost and GST reduction. *[Business Line]*

**Why the year 2026 can be a big deal for India's economy:** 2026 India Outlook-India is set for a significant year in 2026. New trade agreements with countries like Australia and Bahrain are opening up global markets. These deals, combined with domestic reforms and manufacturing incentives, aim to boost Indian industries. *[The Economic Times]*

**Goldilocks phase, reforms glide path to spur Indian economy in 2026:** Real GDP growth accelerated through successive quarters, reaching 8.2 per cent in Q2 of 2025-26, while retail inflation slipped below the Reserve Bank's lower tolerance band of 2 per cent. *[Business Standard]*

**India boards 'reform express' in 2025, puts people before paperwork:** Year ender 2025: This year, India embarked on sweeping economic reforms that transformed its financial landscape. The Goods and Services Tax was streamlined with revised rates, and the income tax framework saw a comprehensive overhaul. *[The Economic Times]*

**India set to end 2025 on strong economic footing with high growth, low inflation-Govt:** India is on track to conclude 2025 as one of its most significant years of economic performance, with key macroeconomic indicators reflecting strong growth, low inflation, expanded exports and improved labour market conditions, the government said in its year-end economic review. *[Business Line]*

**India's financial system can handle shocks, but long-term outlook hazy, RBI's report says:** The report flagged risks from geopolitical tensions and trade disruptions, which could trigger exchange rate volatility, dampen trade flows, reduce corporate earnings and curb foreign investment. *[The Economic Times]*

**2026 to bring data, policy, tax changes; labour codes, CBAM to take effect:** With new GDP, CPI and IIP base years, sweeping tax reforms, GST overhaul, labour code rollout and EU's carbon tax, 2026 is set to reshape India's economic, regulatory and labour landscape. *[Business Standard]*

**India's exports to Australia grew 8% in FY25 with strong gains across sectors-Goyal:** India's exports to Australia grew 8 per cent in FY25 (year-on-year) to \$8.58 billion, improving India's trade balance with strong gains across manufacturing, chemicals, textiles, plastics, pharmaceuticals, petroleum products and gems & jewellery, Commerce Minister Piyush Goyal has said. *[Business Line]*

**India's real GDP growth to become more broad-based in 2026:** In Standard Chartered's view, CPI-based inflation is likely to trend lower than the RBI's medium-term target of 4% amid modest crude oil and food article price pressures and lower consumer prices across the board on GST rate cuts. *[Business Line]*

**India's growth outlook steady amid global headwinds:** India stands out as a resilient growth story among major economies. Domestic demand, easing inflation, and leadership in key sectors support this outlook. UBS highlights that countries with strong internal drivers are better positioned to navigate global volatility. *[The Economic Times]*

**States' debt burden and fiscal gaps persist, leaving capital spending muted:** Bringing down India's debt to gross domestic product (GDP) ratio will be the core priority for the government from the next financial year, which begins on April 1, Finance Minister Nirmala Sitharaman said last week. *[Business Standard]*

**A shift towards decluttering, rationalisation marks RBI's 2025 reforms:** The RBI's actions throughout the year mark a decisive shift towards principle-based regulation and systematic rationalisation of legacy instructions. *[Business Standard]*



## Foreign Investment

**India to set up committee to oversee New Zealand FDI commitment under FTA:** India will set up an oversight committee to assess whether New Zealand should be granted a 'grace period' or additional time if the country fails to fulfill its foreign direct investment (FDI) commitment over a 15-year period. *[Business Standard]*

**Rules for facilitating 100% FDI in insurance notified:** With law for 100 per cent foreign direct investment notified, the Finance Ministry has new rules removing the condition of majority of directors and key management persons to be Indian residents in an insurance company with foreign investment. *[Business Line]*

**Fragile attractiveness-on the latest FDI data and India:** The latest foreign direct investment (FDI) data show how India's attractiveness as an investment destination is not yet cemented and remains fragile. Net FDI remained negative for the third consecutive month in October 2025, which means that more direct investment was taken out of India than invested in it. *[The Hindu]*

**Strong fundamentals, big-ticket investments to propel India's FDI in 2026:** India anticipates robust FDI growth in 2026, driven by strong economic fundamentals, new trade pacts, and improved ease of doing business. Despite global uncertainties, the nation attracted over USD 80.5 billion in FDI in 2024-25, with significant commitments from EFTA and New Zealand bolstering future prospects. *[The Economic Times]*



## Trade Policy and Competitiveness

**From UK FTA to US tariff duels-What 2025 revealed about India's tradecraft:** India spent 2025 rewriting its foreign policy playbook through trade deals, tariff battles and supply chain partnerships, signalling that market access now drives its global engagement. *[Business Standard]*

**Landmark free trade milestone in 2025 injects momentum behind India-UK ties:** The Free Trade Agreement (FTA) negotiations dominated the headlines for the major part of the year as both sides looked determined to get the deal over. *[Business Standard]*

**2025-When multilateralism weakened, but global trade remained resilient:** This year, the multilateral trading system suffered a severe setback, yet global supply chains displayed remarkable resilience. China demonstrated its dominance over critical minerals and advanced technologies, while India responded to external shocks by deregulating selectively and boosting domestic consumption. *[Business Standard]*

**Indian refiners balance barrel economics with geopolitical, trade tensions as 2025 redraws energy flows:** Indian refiners have constantly adjusted to sanctions, compliance requirements and evolving regulatory regimes in 2025, which is expected to continue in 2026. *[Business Line]*

**One thing India's economy needs so much in 2026:** 2026 India Outlook: Despite a 50% US tariff, India's exports to the US have risen, driven by exporter adjustments and temporary coping strategies. However, this resilience is fragile, with high tariffs threatening long-term growth, jobs, and competitiveness. *[The Economic Times]*

**Path forward for Indian trade:** Global trade rules are increasingly driven by geopolitics. For India, raising domestic industry competitiveness will be vital for export growth. *[Business Line]*

**Govt launches ₹4,531 cr market access support scheme for exporters:** The government on Wednesday launched ₹4,531 market access support (MAS) intervention scheme for a six-year period (FY26-31) to improve global reach, visibility and competitiveness of Indian exporters through 'structured and outcome-oriented' interventions. *[Business Standard]*



## Corporate Governance

**Succession, scrutiny and stress tests in a year of corporate governance:** From airline disruptions and boardroom battles to inheritance feuds and courtroom reversals, corporate India delivered no shortage of drama in 2025. But beneath the headlines lay deeper questions about governance, succession, and institutional resilience. *[Business Standard]*

**Mint Road-Charting a transformation path for finance and business in 2025:** A lucrative business segment has been opened up for banks in India — financing mergers & acquisitions (M&As). It has thus far been the exclusive stomping ground of foreign banks (even though its funding remains offshore — as in, it's not on their rupee book), and a few select shadow banks. *[Business Standard]*

**The 2025 Demerger Wave-From Tata, HUL to Adani, inside corporate deals that quietly rewired 2025 business map:** From Tata Motors to Vedanta and Adani, 2025 saw India's biggest wave of corporate demergers and mergers, reshaping balance sheets and business priorities. *[Financial Express]*

**Capital markets-Agency clearing, the next leap:** The Bill on Securities Markets Code, recently introduced in the Lok Sabha by the Finance Minister, ushers in a host of big-ticket changes, including strengthening the legal backbone of finality and irrevocability of settlement, which are solely the responsibility of the clearing corporation; not intermediaries. *[Business Line]*

**Why capping Sebi's surplus risks weakening India's market regulator:** Capping Sebi's surplus under the Securities Markets Code risks eroding the regulator's financial autonomy and independence, with implications for market governance and investor confidence in India. *[Business Standard]*

**2026 & beyond-Dr Rangarajan for 2 % rise in investment rate with a firmer grip on sector-specific linkages:** To be counted among the developed nations, India will need to grow at over 7 per cent each year consistently for the next two decades. But for this, it will first need to raise the investment rate to 35 per cent of the GDP. *[Financial Express]*



## MSMEs and Start-ups

**Startup ecosystem matures, shutdowns plunge to 5-year low in 2025:** Shailesh Haribhakti, a management expert, said that many startups that were founded during the pandemic boom were built on rapid scaling and the assumption of endless capital. *[Business Standard]*

**Late-stage funding holds up as VCs back fewer, bigger bets:** Series C and beyond rounds accounted for nearly 60% of total capital raised this year, underlining a clear investor preference for scaled, revenue-generating companies with visibility on exits. *[Business Line]*

**AI funding defies start-up slowdown in 2025:** While overall deal volumes have softened globally, the steady flow of large cheques into AI highlights a market increasingly driven by conviction-led bets rather than broad-based risk appetite. *[Financial Express]*

**MSME sector achieves key milestones in 2025, Udyam registrations cross 7.3 Crore-MSME Ministry:** The Ministry of Micro, Small and Medium Enterprises (MSME) marked 2025 as a landmark year, registering major gains in formalisation, credit access, digital governance, and global outreach. *[The Statesman]*



## Employment and Industrial Relations

**Wage rate may go up after G RAM G Act-SBI Research report:** A report by SBI Research has termed as “unfounded” the fear of increased borrowing by States after implementation of the VB-G RAM G Act, 2025, and said that States will increase/ realign their rural development budget in line with priorities under the new law. *[Business Line]*

**Industry experts demand major skilling and job reforms from government in 2026:** Experts urge faster skilling and job reforms by 2026. India aims to be a global skill hub using its large youth population. Government initiatives like NEP 2020 and Skill India Mission need scaling up. *[The Economic Times]*

**Gratuity in full and final settlement may come sooner after job exit under new labour laws:** India's new labour laws, set to take effect in 2026, could significantly change how employees are paid, work, and retire. From faster gratuity payouts as part of full and final settlements to clearer rules on working hours, layoffs, and social security. *[Financial Express]*

Tax, NPS, labour codes-How 2025's changes will affect your wallet in 2026: The year 2025 emerged as a pivotal year for household finances—marked by significant changes like a reduction in mandatory annuitization in the National Pension System (NPS), lower income tax rates, GST slab rationalization, and the introduction of new labour codes—laying the groundwork for how Indians will plan, save, and invest in 2026. *[Mint]*

**Govt notifies draft rules for new labour codes:** The Ministry of Labour and Employment has pre-published draft rules for India's four new Labour Codes, aiming for full operationalization by April 1, 2026. *[Financial Express]*



## Industrial Finance

**Small business credit exposure rises 16% to ₹46 trillion-CRIF-Sidbi report:** Small business credit exposure rose 16.2 per cent to ₹46 trillion as of September 2025, though growth moderated from the previous quarter amid cautious underwriting and seasonality. *[Business Standard]*

**NBFC balance sheets expand in FY25 on loan growth; microfinance stress persists-RBI:** Non-banking financial companies saw their balance sheets expand significantly in FY25, fueled by robust loan growth. *[The Economic Times]*

**Shriram Finance expects 30-40 bps lower NCD rates after rating upgrade:** Following the upgrade to 'AAA', Shriram Finance's cost of funds on fresh non-convertible debentures (NCD) issuances could fall below 8 per cent, giving it a 30–40 basis points advantage over its current issuance rates. *[Business Standard]*

**Corporate lending to rebound as loan-bond rate gap narrows, RBI eases norms:** Analysts expect banks' corporate credit to pick up as the bond-loan rate gap narrows and RBI reforms, including acquisition financing and eased exposure norms, begin to bite. *[Business Standard]*

**Infrastructure capex growth normalising, private investment edging up:** India's infrastructure sector stands at a pivotal juncture, shaped by a renewed emphasis on crowding in private investment in infrastructure, following several years of strong budgetary support from the central government. *[Business Standard]*



## Technology and Innovation

**NPCI sets up unit to scale up digital infrastructure beyond payments:** Moving beyond digital payments, the National Payments Corporation of India (NPCI), the operator of Unified Payments Interface, is planning to add more muscle to the country's digital infrastructure by setting up a fourth subsidiary, NPCI Tech Solutions Ltd (NTSL). *[Business Standard]*

**2025-Artificial intelligence's breakout year for India, minus the breakthrough:** By most visible measures, 2025 was a breakout year for artificial intelligence (AI). AI tools became mainstream among individual users, developers, and creators, reshaping how people write, code, design, and search. Yet, inside large enterprises, the story is far less definite. *[Business Standard]*

**DPDP Act reinforces trust, transparency in today's digital economy-IBM's Sandip Patel:** IBM is expanding its innovation hubs beyond Indian metros to tap into local talent, fostering inclusive technology development. *[The Economic Times]*

**Drive innovation:** The government frequently proclaims that it has placed research and development at the heart of the journey towards Viksit Bharat@2047. In a press statement issued in November, it highlighted that R&D expenditure had “more than doubled” from `60,196 crore in 2010-11 to Rs 1.27 lakh crore in 2020-21. *[Financial Express]*

**DoT allocates upper 6GHz band for 5G, 6G mobile services in NFAP-2025:** The NFAP-2025 also earmarks Ka, Q and V bands for next-generation satellite services, including Low-Earth Orbit (LEO) and Medium-Earth Orbit (MEO) constellations. *[Financial Express]*



## Industrial Infrastructure, Clusters and SEZs

**RRTS can transform urban mobility, act as catalyst for decentralised economic growth-Knight Frank:** India's new Regional Rapid Transit System promises to change how people travel and boost economies. The Delhi-Ghaziabad-Meerut corridor will cut travel time significantly. *[The Economic Times]*

**Adani Green Energy operationalises 307.4 MW RE projects:** Adani Green Energy is set to bring 307.4 MW of new power projects online in Khavda, Gujarat. These projects will commence power generation from January 1, 2026. This expansion will boost Adani Green Energy's total operational renewable capacity significantly. *[The Economic Times]*

**Battery storage, transmission capacity, nuclear power — the three new arcs of India's energy transition:** The high capacity of clean energy installations doesn't translate into high energy output, given that solar and wind are erratic power sources. The focus is now set to shift towards building energy storage capacity and diversifying into more stable non-fossil sources such as nuclear power. *[Mint]*

**Ceigall India bags over ₹1,000 crore infra project in Madhya Pradesh:** The project will play a critical role in improving regional connectivity between Indore and Ujjain, and enhance access to key economic and religious hubs in Madhya Pradesh. *[Business Standard]*

**Jindal Steel to double structural steel capacity at Raigarh plant:** As part of the expansion, Jindal Steel will commission a new, dedicated structural steel mill, alongside advanced upstream and downstream technology upgrades. *[Business Line]*

**Grew Solar bags ₹2,028 cr solar module supply order from NTPC Renewable Energy Ltd:** A solar PV manufacturer in Gujarat — Grew Solar — on Tuesday said it has secured a ₹2,028 crore contract from NTPC Renewable Energy Limited for the supply of high-efficiency solar PV modules aggregating to approximately 1,464.5 MW across multiple locations in Uttar Pradesh. *[Business Line]*

**Why India's clean energy push now hinges on grid readiness and storage:** India is prioritizing grid readiness for its growing clean energy ambitions. COP30 discussions highlight the need for robust transmission, energy storage, and local manufacturing. *[The Economic Times]*



## Sustainable Industrialisation

**Long-term policy support key to meeting India's renewable energy goals-Experts:** India is making significant strides in renewable energy. Experts highlight the need for strong policies and technology to meet future goals. Grid upgrades and storage are national priorities. Emerging technologies like green hydrogen offer solutions. *[The Economic Times]*

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**Wind power's rebound is real, but India must fix the bottlenecks soon:** Wind energy in India records its strongest revival yet, but transmission gaps, land hurdles, and ecological safeguards must be resolved to sustain momentum toward 2030 targets. *[Business Standard]*

**Year Ender 2025-EV momentum, premiumisation and engineering innovation define India's auto sector:** India's automotive sector concluded 2025 with robust growth, driven by strong premiumization and EV consolidation. Industry leaders highlight engineering innovation and evolving consumer preferences as key factors positioning India as a significant long-term mobility market. *[The Economic Times]*

**Long-term policy support key to meeting India's energy goals-Experts:** Long-term policy frameworks, particularly for hybrid renewables energy, along with a thrust on adoption of technologies and incentive-driven manufacturing, will help the country meet its renewable energy goals, experts said. *[Business Standard]*

**Centre pulls subsidy as electric three-wheelers hit target under PM e-Drive:** The government has pulled subsidies for electric three-wheelers under PM e-Drive after the segment reached its adoption target, with EV penetration at around 32%. *[Business Standard]*

**Big green push-Tata Power's renewable arm executes largest ever solar project:** The project comprises 1,000 MW of alternating current (AC) capacity, equivalent to 1,400 MWp of direct current (DC) capacity. *[Financial Express]*



## Sectoral News

**High imports to exert pressure on steel prices:** The sector will be hoping for a permanent solution by way of anti-dumping duty rather than safeguard duty to stop indiscriminate dumping of steel amid geo-political turmoil. *[Business Line]*

**Telecom sector in 2025-Satcom, Vodafone Idea survival, online frauds keep sector abuzz:** New satellite communication services are set to launch in India, bringing competition to the telecom market. The government is working to support existing players like Vodafone Idea and BSNL. *[The Economic Times]*

**Food processing PLI may be extended:** Large consumer goods companies such as Hindustan Unilever, ITC, Nestle India, Britannia Industries, Gujarat Cooperative Milk Marketing Federation and Dabur India are among those approved under the scheme. *[Financial Express]*

**India ranks 3rd in rare earth reserves, but trails in production due to structural bottlenecks in mining:** India has the world's third-largest rare earth reserves, but its production remains among the lowest compared to major global players, highlighting a sharp gap between resource availability and actual output, according to a report by Amicus Growth. *[Business Line]*

**Auto PLI favours large original equipment makers, Ather tells PMO:** Ather Energy has told the Prime Minister's Office (PMO) that the current design and implementation of the production-linked incentive (PLI) scheme for the automobile sector has disproportionately benefited large, incumbent automakers and created bottlenecks for startups. *[Business Standard]*

**Automobile growth is likely to be in double-digits across categories in December 2025-Nuvama:** Sales are being driven by “continued positive customer sentiments spurred by better affordability (courtesy of GST cuts), new products, interest rate cuts and adequate finance availability,” according to the report. *[Business Line]*

**Premiumisation, smart products to drive appliances and consumer electronics sector in 2026:** The Indian appliances and consumer electronics sector is set to emerge as the fourth-largest market globally by FY27 as revenues are projected to scale ₹3 lakh crore by FY29 driven by rising household incomes, aspirational rural regions, and easier access to consumer finance. *[Business Line]*

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