

Industry Matters

Weekly Updates

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Economy, Industry and Policy

India's economy at risk from higher tariffs, says former CEA: India also faces pressure from what Arvind Subramanian described as "Chinese mercantilism," as it rapidly exports and diverts goods to developing countries, including India, weighing on the domestic economy. *[Business Line]*

Union Budget 2026-Make in India tops industry wish list amid execution worries: Indian companies anticipate the Union Budget 2026 to prioritise domestic manufacturing and the 'Make in India' program. Industry stakeholders highlight high compliance burdens, logistics, and energy costs as major barriers. *[The Economic Times]*

Faster, demand-led approach needed for PSE privatisation-CII: In its proposals for the Union Budget 2026-27, the industry lobby calls for a rolling three-year pipeline, outlining which enterprises are likely to be taken up for privatisation during this period. *[The Hindu]*

CPI inflation 2011-12 series-End of an era as new base begins next month: The NSO on Monday released the final print of CPI-based inflation for December under the 2012 base year. From next month, a new CPI series begins with 2024 as the base year. *[Business Standard]*

India's GDP growth pegged at 7% in FY27 on favourable policies-BMI: BMI, a Fitch Group company, on Monday forecast a 7.4 per cent growth for the current fiscal and 7 per cent for FY27 saying a favourable policy environment bode well for India's economic outlook. *[Business Standard]*

Budget 2026: The missing tax framework for India's outbound M&A wave: Budget 2026 Expectations: Indian corporates are increasingly pursuing outbound investments for market expansion and technology acquisition. However, the current tax and regulatory framework lags behind, necessitating reforms to support global ambitions. *[The Economic Times]*

Economic growth strongest, most sustainable form of financial inclusion-CEA: Economic growth is the most sustainable form of financial inclusion, Chief Economic Adviser V Anantha Nageswaran stated. He emphasized that when economies generate jobs and demand, people naturally enter the financial system. *[The Economic Times]*

RBI MPC 2026-No need to waste bullet when growth high, inflation low, says PwC on central banks's rate cut: RBI Monetary Policy Committee 2026: PwC expert Ranen Banerjee advises the Reserve Bank of India against cutting interest rates. He believes a rate cut now would be a wasted opportunity. Growth is strong and inflation is under control. The Monetary Policy Committee is unlikely to change rates in its upcoming February 2026 meeting. *[The Economic Times]*

Inequality biggest economic concern for youth globally-WEF survey: Growing inequality between the rich and poor is the top-most economic concern for the youth across the world, while a large number of them want to run for political office rather than just critique, a new survey showed on Monday. *[Business Standard]*

India's exports of petroleum products touched record high in 2025: India's exports of petroleum products hit an all-time high in 2025 despite the influence of sanctions by Western powers and an ongoing informal blockade of the Suez Canal, led by strong refining margins in overseas markets — a byproduct of the ongoing Russia-Ukraine war. *[Business Standard]*

Indian economy resilient despite global challenges-Shaktikanta Das: India's economy remains resilient despite geopolitical headwinds and trade barriers, with real gross domestic product projected to grow 7.4 per cent in FY26, the principal secretary to the PM said. *[Business Standard]*

MOSPI proposes adoption of chain-based method of index of Industrial Production (IIP) compilation: The Ministry of Statistics and Programme Implementation is proposing a shift to a new method for calculating the Index of Industrial Production. This change aims to make the IIP more accurate by reflecting current production structures. *[The Economic Times]*

An exploration of India's minerals diplomacy: Today, India's clean energy transitions are impossible without imported critical minerals and rare earths. The country needs these minerals now, and China's tightening export controls only heighten the urgency. *[The Hindu]*

Smartphone exports may have topped \$30 billion in 2025 on PLI push: In a record-breaking showing, smartphone exports from India — driven by the production-linked incentive (PLI) scheme — are likely to have reached \$30 billion over the 12 months from January to December 2025, accounting for 38 per cent of the country's total smartphone exports over the past five years since 2021. *[Business Standard]*

Prospects for faster growth amid lingering macro and structural constraints: Successive years of rapid economic growth have encouraged commentators to suggest that the economy may at long last be on a higher growth track. This is because growth in the last five financial years (2021-26), taking into account the advance estimates for the current year, averages a handsome 8.1 per cent — the best on record. *[Business Standard]*



Foreign Investment

Insurance Foreign Direct Investment, coming a full circle: In 1991, alongside India's big liberalisation push and the new industrial policy, planning began for reform of the insurance industry which was then a government monopoly. In 1993, a committee was set up to recommend changes. *[The Hindu]*

Signing free-trade deals is not enough to secure real economic gains: Free trade agreements (FTAs) are often presented as quick wins for trade and growth, promising lower prices for consumers and new markets for exporters. In practice, economic gains arise only under specific conditions. Success hinges not merely on tariff reductions, but on whether agreements induce sustained changes in production, investment, and competitiveness. *[Business Standard]*

FDI inflows surge \$51 billion in 6 months as govt pushes manufacturing, startup collaboration-DPIIT Secy: India has received foreign direct investment (FDI) worth USD 51 billion in the last six months, reflecting sustained global confidence in the country's growth story, Amardeep Singh Bhatia, Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), said on Wednesday. *[The Economic Times]*

Shriram Finance gets shareholders' nod for MUFG deal-linked proposals: Shriram Finance shareholders have voted in favour of key proposals related to its deal with MUFG. This paves the way for MUFG to acquire a 20% stake in Shriram Finance for \$4.4 billion. The deal marks the largest cross-border investment in India's financial sector. *[The Economic Times]*



Trade Policy and Competitiveness

China emerging as major export destination for India; shipments up 33% during Apr-Nov: China is gradually emerging as a major export destination for India, with shipments rising 33 per cent to \$12.22 billion during April-November of the current fiscal, according to commerce ministry data. *[Business Line]*

India, EU hold FTA talks, reaffirm commitment to protect farmers, MSMEs: Commerce and Industry Minister Piyush Goyal has held high-level talks with EU Trade and Economic Security Commissioner Maros Sefcovic for securing a mutually beneficial FTA. *[Business Standard]*

Trump's new Iran-related tariff threat to have limited impact on India: India's trade with Iran declined significantly after 2019, following the sanctions imposed on that country by the U.S. However, even prior to this, the overall trade levels had remained relatively small. *[The Hindu]*

GJEPC seeks duty cuts and policy reforms to boost gem and jewellery exports: The Gem & Jewellery Export Promotion Council (GJEPC) has submitted pre-budget recommendations to the Union finance minister, seeking duty rationalisation, SEZ reforms, and tax reforms for exporters. *[The Economic Times]*

India's December goods exports up 1.86%, US exports holding well: The US, UAE and China were top three export destinations in April -December FY26. Goods exports to China were up 36.68% on-year and to the US up 9.75% in the first nine months of the fiscal. *[The Economic Times]*



Corporate Governance

India's realty moves to the core of conglomerates' business strategy: India's leading conglomerates are stepping up investments in real estate, recasting what was once a peripheral activity into a core growth driver. *[Business Standard]*

Unlisted Indian companies' debt burden at 35-year low-CMIE data: Unlisted Indian companies have lower borrowings relative to their size and operations than at any point since liberalisation. The debt-to-equity ratio is 1.01 for 2024-25 (FY25), according to data from the Centre for Monitoring Indian Economy (CMIE). *[Business Standard]*

Regulations to be framed for assured, pension payout plans: Risk management will be a core focus, with recommendations on capital and solvency requirements, along with an examination of tax implications for payouts that do not require subscribers to exit the NPS framework. *[Financial Express]*

The board's 2026 agenda-Evolving amid uncertainty and sharper scrutiny: Overseeing how regulations affect strategies and processes in an uncertain environment, amidst sharper scrutiny from institutional and retail investors, will shape the priorities for the year ahead. *[Business Standard]*



MSMEs and Start-ups

India's startups turn to AI applications in 2026 after missing infra boom: India largely missed the first phase of artificial intelligence's global boom — the lucrative infrastructure and model-building layer dominated by Silicon Valley giants. Now, the country's venture investors are betting the next phase will play to local strengths. *[Business Standard]*

FACSI urges Centre to ease GST, credit norms for MSEs in 2026-27 Union Budget: Highlighting liquidity concerns, the federation demanded GST refunds within 15 days, with statutory interest for delays by the government, and complete decriminalisation of procedural lapses related to GST returns, labour and local laws. *[Business Line]*

Beyond the algorithm-Why millions of gig workers need people science?: India's gig economy, now a significant economic pillar, faces a critical juncture. New draft rules signal a shift towards worker protection and transparency, acknowledging the 'algorithmic anxiety' plaguing delivery partners. *[The Economic Times]*

Industry body CITI seeks removal of import duty on cotton: The Confederation of Indian Textile Industry urges the government to permanently remove the 11 per cent cotton import duty. This move aims to ease cost pressures on domestic companies. *[The Economic Times]*

Budget 2026-PHDCCI recommends reform agenda as spotlight falls on banks, MSMEs: Budget 2026: India's industry body PHDCCI anticipates new government reforms. These include deeper divestment and privatization of public sector enterprises. The aim is to boost corporate activity and protect the economy from export uncertainty. *[The Economic Times]*



Employment and Industrial Relations

New labour codes may hit MSMEs harder than large firms-experts: India's new labour codes promise simplification, but for MSMEs the transition could mean higher wage bills and tougher compliance - unless strong handholding follows. *[Business Standard]*

India hiring rises 15 pc in Dec; signalling shift to measured expansion: Hiring activity in India surged 15% year-on-year and 5% sequentially in December 2025, signaling a move from cautious recovery to measured expansion. Artificial intelligence emerged as the dominant hiring force, with AI-linked roles projected to grow 32% in 2026, positioning India as a global talent powerhouse. *[The Economic Times]*

EPFO withdrawal new rules: When can you withdraw 100% PF balance and how many times: PF withdrawal rules have been simplified by EPFO, allowing members to withdraw up to 100% of their eligible PF balance after just 12 months of service under defined conditions. *[Financial Express]*

Global unemployment remains unchanged, ILO warns about decrease in jobs for youth, women: In 2015 and 2025, the share of workers living in extreme poverty declined by only 3.1 percentage points, to 7.9%, compared with a decline of 15 percentage points in the previous decade. *[The Hindu]*



Industrial Finance

Credit demand zooms as policy eases, outstanding bank credit crossed Rs 200 lakh cr for the first time on Dec 31, 2025: India's credit demand is surging. Lower taxes and supportive monetary policy are fueling investment. Outstanding bank credit has crossed a major milestone. This growth surpasses projections, indicating a strong economic rebound. *[The Economic Times]*

Maharashtra to create a Rs 4,000-5,000 crore pool for funding innovations, startups: This initiative is part of a three-tier innovation structure being developed in the state, which includes local innovation centres at the district level to foster rural entrepreneurship, regional innovation centres, and a state-level innovation centre in the proposed Innovation City near the Navi Mumbai International Airport. *[Financial Express]*

ICRA assigns stable long-term credit rating to Saarathi Finance: Saarathi Finance, a new NBFC for MSMEs, secured an 'A-' rating from ICRA, highlighting strong capital, investor backing, and management. Despite initial losses due to startup costs, the company has Rs280 crore in assets under management and plans branch expansion. *[The Economic Times]*

Bank credit to grow 13% in FY27 despite high LDR constraints-Ind-Ra: India Ratings expects bank credit to grow 13 per cent in FY27, supported by GST rationalisation, lower inflation and improved consumption, though high loan-deposit ratios remain a challenge. *[Business Standard]*



Technology and Innovation

Rising costs, automation anxiety among key youth concerns-WEF report: The WEF's survey of nearly 4,600 young people from 489 locations worldwide found that half viewed inflation and economic instability as the greatest threats to their lives. *[Business Standard]*

Smaller GCCs losing plot through sponsorship change, AI strategy: As AI reshapes enterprises, many Indian GCCs risk being stuck as cost centres - forcing companies to rethink strategy, leadership and real decision power. *[Business Standard]*

India to manufacture 3 nanometre chips by 2032-Ashwini Vaishnaw: From chips to sovereign AI, Ashwini Vaishnaw lays out how India plans to build a full-stack tech ecosystem and become a major semiconductor and AI power by 2032. *[Business Standard]*

TCS targets AI Scale-Up – Partners global chip manufacturer AMD to boost enterprise AI operations: TCS has partnered with AMD to roll out AI-ready Ryzen and EPYC computing solutions for hybrid cloud and digital workplaces as it posted Q3 FY26 results. *[Financial Express]*

NPCI BHIM Services set to provide Canara Bank with UPI payments tech: Bank will integrate NBSL's bank plugins to host latest UPI features and upgrades on its app, aiming to improve security and scalability while lowering the cost of maintaining an independent interface. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

Tata Power to set up ₹6,675 cr 10 GW ingot & wafer manufacturing facility in AP: Tata Power Renewable Energy Ltd (TPREL) will set up a greenfield 10 GW ingot and wafer manufacturing facility at Nellore, Andhra Pradesh, with an investment of ₹6,675 crore. *[Business Line]*

Torrent Power bets Rs 1 lakh cr on energy, builds new B2C platforms: Jinal Mehta, vice-chairman and MD: Torrent Power operates across the entire power value chain-coal-based and gas-based generation, renewables, transmission and distribution. We are also expanding into energy storage and green hydrogen. *[The Economic Times]*

Websol to invest ₹3,538 cr in 8 GW solar manufacturing complex at Naidupeta: Andhra Pradesh has approved Websol Renewable's ₹3,538 crore greenfield 8-GW solar manufacturing facility at Naidupeta in Tirupati district, to be built in two phases. *[Business Standard]*

Budget 2026 may be high on highways: Faster clearances, InvIT push expected: India's national highway network has surged by over 61% to 146,560 km, driven by the Bharatmala Pariyojana. The government plans a Rs 2.87 lakh crore budget for 2025-26, focusing on access-controlled highways and a Rs 8.3 lakh crore PPP pipeline. *[The Economic Times]*

Adani group to invest ₹1.5 trn in Kutch, boost energy and port capacity: Adani said that every one of these investments aligns with India's national priorities: employment generation, industrial competitiveness, sustainability, and long-term resilience. *[Business Standard]*

Can Budget 2026 be 'make or break' for aviation? From 400 new airports to 'Make in India' planes—Full details inside: As India becomes the world's 3rd largest aviation market, Budget 2026-27 shifts focus from subsidies to execution. Read the latest on UDAN funding, airport delays, and the path to 470M passengers. *[Financial Express]*

NTPC to set up coal-to-SNG project at Rs 10,000 crore capex in Chhattisgarh: NTPC is establishing a significant coal-to-synthetic natural gas facility in Chhattisgarh. This ambitious project, with an investment of approximately Rs 10,000 crore, aims to produce synthetic natural gas from high-ash Indian coal. *[The Economic Times]*

ACME's 400-MW Andhra solar project makes rapid progress: ACME Group's 400 MW solar and battery storage project in Anantapur, Andhra Pradesh, is moving fast. The Rs 3,000 crore initiative will deliver round-the-clock renewable power. Commissioning is planned for 2026. *[The Economic Times]*



Sustainable Industrialisation

India EV market hits 2.3 million sales in 2025, policy support, festive demand drive adoption: India's electric vehicle market surged in 2025, reaching 2.3 million sales and an 8% share of new vehicle registrations. Electric two-wheelers led adoption, with Uttar Pradesh emerging as the top EV market. Policy incentives and a festive surge fueled this significant growth, positioning India for continued EV expansion. *[The Economic Times]*

Renewable energy usage norms may be eased for energy derived from waste: According to draft procedures for RCO compliance mechanism, issued by the Bureau of Energy Efficiency, the exemption covers self-consumed electricity generated through waste recovery, including from byproduct gases, or other forms of residual energy sources associated with industrial processes. *[The Economic Times]*

Why clearing structural barriers is imperative for transition of SMEs towards clean energy: Global leaders are prioritizing a just transition to clean energy, recognizing the vital role of Small and Medium Enterprises. These businesses, employing millions in India, are eager to adopt green technologies. *[The Economic Times]*

NTPC Renewable Energy begins 300 MW commercial supply from 500 MW Bhadla solar project: NTPC announced a significant milestone today. Its subsidiary, NTPC Renewable Energy, has commenced commercial power supply from the 300 MW Bhadla solar project in Rajasthan. *[The Economic Times]*

Germany's Uniper signs long-term offtake agreement on green ammonia with India's AM Green: Germany's Uniper has inked a significant deal with India's AM Green to secure up to 500,000 tons of green ammonia annually, with the first delivery expected by 2028. This strategic partnership aims to bolster Uniper's commitment to supplying customers with sustainable, low-carbon molecules at scale. *[The Economic Times]*

Renewable energy industry seeks sops for R&D, affordable green finance in FY27 Budget: The renewable energy industry has sought incentives for research and development as well as for the manufacturing of ingots and wafers in the FY27 Union budget, as the sector looks to transition from capacity additions to execution certainty. *[Business Line]*



Sectoral News

Govt unveils district-led textiles transformation initiative: The Textiles Ministry has launched the District-Led Textiles Transformation initiative to develop 100 districts as global export champions and 100 aspirational districts into self-reliant hubs. *[The Economic Times]*

Vodafone Idea's chance to dial stability may reshape India's telecom market: Debt-laden Vodafone Idea has been given a chance to turn itself around. This is also crucial for the government, which wants to avoid a duopoly in the telecom sector. *[Business Standard]*

India's textiles sector attracts over ₹60,000 crore investment in 2025: Textiles sector has seen commitments and investments of over ₹60,000 crore in 2025, government officials said. Now they hope that the trend continues in the current year. *[Business Line]*

India's electronics exports crossed ₹4 lakh crore in 2025-Vaishnaw: Electronics exports from the country have crossed Rs 4 lakh crore in 2025 and are expected to grow when four semiconductor plants begin production this year, Union minister Ashwini Vaishnaw has said. *[Business Line]*

Indian auto industry sees growth momentum extending into 2026: India's auto industry eyes sustained growth into 2026, driven by tax relief, GST cuts and strong exports, with 2025 recording sales highs across key segments. *[Business Line]*

Pharma industry seeks R&D sops, simplification of regulatory framework in Budget: The policymakers should consider GST structure rationalisation, restoration of weighted R&D deduction and simplification of compliance and regulatory framework in the upcoming Union Budget for the financial year 2026-27. *[Business Line]*

Engineering the future-India's opportunity in synthetic biology: The global economy is on the cusp of a biological industrial revolution. Synthetic biology (SynBio)—the design and construction of new biological parts, devices, and systems—is no longer a niche academic pursuit but a disruptive force poised to rewire how we heal, feed, and fuel the world. *[Business Standard]*

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