

Industry Matters

Weekly Updates

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Economy, Industry and Policy

Biopharma strategy needs regulatory focus: Policymakers must turn attention to comparative efficacy data and animal testing requirement waiver, easing enforcement of clinical trial regulation, and integrating AI into clinical trials. *[Financial Express]*

India's consumer inflation estimated at 4.3% in FY27, up from 2.5% in FY26-Crisis: Consumer inflation in India is set to climb to 4.3 percent in fiscal 2027. This rise follows an estimated 2.5 percent in fiscal 2026. Food inflation will normalize from current low levels. Changes in the Consumer Price Index basket will limit the overall increase. Non-food inflation and core inflation are expected to help restrain the rise. *[The Economic Times]*

India wholesale inflation at 9-month high of 1.81% in January; up from 0.83% in December: In January, India witnessed a surge in wholesale price inflation, hitting a nine-month high of 1.81%. This uptrend can be attributed to escalating costs across basic metals, manufactured goods, and agricultural sectors, with food inflation also on the rise. Concurrently, retail inflation edged up to 2.75%, driven by the rising costs of food and precious metals. *[The Economic Times]*

India must shift from growth at scale to productivity for Viksit Bharat 2047-KPMG report: In its report titled "Top 10 Priorities for India's Next Growth Phase", professional services firm KPMG outlined a coordinated execution agenda focused on manufacturing depth, human capital, MSME competitiveness, infrastructure efficiency, and institutional delivery. *[The Economic Times]*

Cabinet clears Rs 1 lakh crore for India's big urban reset; aims to unlock Rs 4 lakh crore investment: Union Minister Ashwini Vaishnaw on Saturday said the Cabinet has approved the launch of a Rs 1 lakh crore Urban Challenge Fund (UCF) aimed at driving market-led, reform-driven urban infrastructure development over the next five years. *[The Economic Times]*

Cash craze-Currency in circulation touches record Rs 40 lakh crore: The amount of cash circulating in the economy has hit an all-time peak of Rs 40 lakh crore in January, after rising 11.1% year-on-year. Yet, interestingly, the cash-to-GDP ratio has dipped, suggesting that digital payments are playing a much bigger role than before. *[The Economic Times]*



Foreign Investment

India reviews Press Note 3, may ease small FDI entry with de minimis rule: India is reviewing Press Note 3 and may introduce a 'de minimis' threshold to allow automatic approvals for small foreign investments, according to people familiar with discussions. De minimis is a Latin phrase that implies low-stakes deals. *[The Economic Times]*

'Japanese FDI in India crosses Rs 2.7 lakh crore, 1,400 firms present': "Japan has helped train approximately 24,000 young Indians over the past seven years through Japanese-style manufacturing programs," Okumura said at the summit, adding her country has supported India's metro systems, high-speed rail, and dedicated freight corridors through the Japan International Cooperation Agency (JICA). *[The Economic Times]*

Tokyo to Mumbai-The Japanese are pouring big money into India: Mizuho Bank Global CEO Masahiko Kato, speaking to ET recently (for the first time since the announcement of Mizuho's acquisition of Avendus Capital in December) made a clear statement -- India has rapidly become the most promising destination for Japanese companies. *[The Economic Times]*

French auto tech provider, Valeo to invest more than €200 million by 2028: French auto technology provider, Valeo on Wednesday said it plans to invest more than €200 million in the next two years (around ₹2,149.20 crore, subject to prevailing exchange rates), to significantly expand its industrial footprint in India. *[Business Line]*

Make in India, funded by China? India can't shut out Chinese cash: India is reviewing its stringent FDI rules for Chinese capital, potentially introducing a de minimis threshold for automatic approvals of small investments. This move aims to balance strategic caution with industrial needs, easing entry for low-risk capital while maintaining guardrails for critical sectors. *[The Economic Times]*



Trade Policy and Competitiveness

Fast-track India-EU trade deal as Polish firms ready to invest billions: During a recent diplomatic gathering, Poland's Ambassador to India, Piotr Antoni Switalski, championed the swift ratification of the India-EU Free Trade Agreement. He underscored that Polish enterprises are eager to channel billions of euros into the Indian market. *[The Economic Times]*

India's trade deficit widens to \$34.68 billion in January as gold imports rise: India's trade deficit surged in January, driven by higher gold and silver imports. Merchandise exports saw a slight dip. However, overall goods and services exports are projected to exceed \$860 billion for the fiscal year. Trade pacts with the UAE and EU offer future export growth opportunities. US tariff reductions are expected to boost Indian exports. *[The Economic Times]*

Exports grow 8.5% in Q2, trade momentum builds-Niti Aayog: India's exports saw a strong 8.5 percent growth in the July-September quarter of the 2025-26 financial year. This performance highlights India's trade resilience amidst global uncertainties. Both merchandise and services exports contributed to this positive trend. The electronics sector is a key driver, with mobile phone exports reaching significant levels. *[The Economic Times]*

Niti Aayog lays out a roadmap for enhancing electronics' export: India's electronics strategy must transition beyond labour-intensive assembly toward higher value-added activities alongside improvements in logistics efficiency and regulatory simplification to help develop a globally competitive electronics ecosystem and support the \$500 billion manufacturing ambition by FY2030. *[The Economic Times]*

India-EU FTA to open new avenues for trade, investment-PM Modi, Greek counterpart: Prime Minister Narendra Modi and Greek counterpart Kyriakos Mitsotakis met on the sidelines of the India AI Impact Summit. They agreed that the India-EU FTA will boost trade and investment, and discussed strengthening cooperation in new areas. Both leaders also appreciated the potential of the India-Middle East-Europe Economic Corridor (IMEC). *[The Economic Times]*



Corporate Governance

Burman-backed Religare Enterprises announces demerger to unlock shareholder value: Burman family backed-Religare Enterprises Ltd (REL) has approved a plan to demerge its financial services and insurance businesses into two separately listed entities, in a move aimed at unlocking shareholder value and sharpening strategic focus. *[The Economic Times]*

Amazon becomes world's largest company by annual sales, dethrones Walmart: Amazon.com Inc. has officially dethroned Walmart Inc. as the biggest global company by revenue, a milestone attesting to the massive scale the e-commerce and cloud-computing giant has achieved since its humble beginnings in 1994 as an online bookseller in Jeff Bezos' Seattle-area garage. *[Business Standard]*

Asgard Alcobev completes 78.90% acquisition of CMJ Breweries: Asgard Alcobev (formerly known as Banganga Paper Industries) has completed acquisition of 78.90 per cent of the equity share capital of CMJ Breweries. *[Business Line]*

Tata AutoComp completes acquisition of IAC Slovakia: Tata AutoComp Systems Limited has completed the acquisition of 100 per cent share capital of IAC Group (Slovakia) s.r.o through its British subsidiary, Artifex Interior Systems. Following the transaction, the entity will be renamed 'Artifex Systems Slovakia s.r.o'. *[Business Line]*

HUL to invest ₹2,000 crore to scale manufacturing for premium categories: Hindustan Unilever Limited (HUL) on Wednesday announced a proposed investment of up to ₹2,000 crore to expand manufacturing capacity in fast-growing premium categories across beauty & wellbeing and home care liquids. *[Business Standard]*

Torrent Power to acquire L&T's Nabha Power for ₹6,889 crore: Torrent Power has agreed to acquire Nabha Power (NPL), a coal-based power plant operator from Larsen & Toubro (L&T), at an enterprise value of ₹6,889 crore, marking a significant expansion of the company's thermal generation footprint in northern India. *[Business Line]*

BEL-Safran to have 50-50 partnership for indigenous manufacturing of Hammer missiles: Bharat Electronics Limited (BEL) and Safran Electronics and Defence (SED) will jointly form a private limited company, likely to be located in Pune, for the indigenous production of Hammer missiles mounted on fighter jets like Rafale. *[Business Line]*



MSMEs and Start-ups

RBI governor Malhotra urges MSMEs to formalize, digitize, and maintain credit discipline for resilience: The Reserve Bank of India Governor Sanjay Malhotra on Monday told small business units classified as micro, small and medium enterprises (MSMEs) to pursue formalisation, maintain credit discipline and adopt digital payments to build long-term resilience and competitiveness. *[The Economic Times]*

Cabinet approves ₹10,000-crore Startup India Fund of Funds 2.0 to support deep tech, early-growth stage startups: Bharat Electronics Limited (BEL) and Safran Electronics and Defence (SED) will jointly form a private limited company, likely to be located in Pune, for the indigenous production of Hammer missiles mounted on fighter jets like Rafale. *[Business Line]*



Employment and Industrial Relations

India's unemployment rate rises marginally to 5% in January: India's unemployment rate among persons aged 15 years and above climbed to 5% in January, up from 4.8% in December, according to government data released on Monday. Analysts in a Reuters poll had expected the rate to remain at 4.8%. *[The Economic Times]*

New Report Reveals Over 70% Employers In India Want To Hire Freshers In 2026-Here's Why! 73% of Indian Employers Plan to Hire Freshers in H1 2026! TeamLease EdTech report: 3 in 4 companies ready to onboard first-time job seekers-hiring intent up 3%. *[Mint]*

India-France to set up National Centre of Excellence (NCoE) in Kanpur: The centre, to be set up as part of the Rs 60,000 crore Pradhan Mantri Skilling and Employability Transformation through Upgraded ITIs (PM-SETU) scheme of the ministry of skill development and entrepreneurship (MSDE), will impart skills training in aeronautics and defence. *[The Economic Times]*



Industrial Finance

RBI eases ECB rules, lifts borrowing limits to \$1 bn from \$750 mn earlier: The Reserve Bank of India has issued the revised External Commercial Borrowings guidelines, rationalised limits, relaxed maturity norms and removed cost caps. *[The Economic Times]*

Airtel Money gets RBI clearance to operate as Type II non-deposit NBFC: Airtel Money, a subsidiary of telecom major Bharti Airtel, received a Certificate of Registration from the Reserve Bank of India (RBI) to operate as a Type II, non-deposit accepting non-banking financial company, Bharti Airtel said in an exchange filing. *[Business Standard]*

RBI allows banks higher acquisition financing limit: Indian lenders will be allowed to finance acquisitions up to 20% of their eligible capital base, the Reserve Bank of India said in its final rules following a review of bank exposure to capital markets. *[The Economic Times]*

Banks ramp up bad loan sales to ARCs in December quarter, retail NPAs at Rs 24,814 crore: Sale of retail bad loans by banks to distressed asset buyers sequentially surged in the December quarter, pointing to efforts by lenders to clean up their balance sheets. *[The Economic Times]*

RBI initiates talks to ease overseas investment norms: The Reserve Bank of India is seeking input from banks to streamline overseas investment rules. This move aims to simplify procedures and ease compliance hurdles for Indian companies. *[The Economic Times]*



Technology and Innovation

Goldman Sachs bets on AI-led themes, India, China as top EM themes in 2026: Artificial intelligence-led innovation, a structurally evolving China, and a cyclical recovery in India could prove to be the best investment opportunities for investors across emerging markets (EMs) in 2026. *[Business Standard]*

India's share of global funding pie in AI stands at 0.6%, shows data: Even as India focuses on attracting private equity (PE) and venture capital (VC) funding in artificial intelligence (AI), the country's share of global funding in the space in 2025 was a minuscule 1.34 per cent of the total \$225.8 billion — reflecting the long and arduous road ahead for startups seeking global private capital. *[Business Standard]*

Adani group commits \$100 billion for RE-powered AI data centres: Adani group on Tuesday announced a \$100 billion investment to develop hyperscale, artificial intelligence (AI)-ready data centres powered by renewable energy by 2035. The initiative is expected to catalyse an extra \$150 billion in investment across server manufacturing, electrical infrastructure, Cloud platforms, and supporting industries over the next decade. *[Business Standard]*

₹10 trillion over 7 years-Reliance Industries makes bold bet on AI: Reliance Industries Limited Chairman and Managing Director Mukesh Ambani on Thursday said RIL and Jio would invest ₹10 trillion over the next seven years in India's artificial intelligence (AI) to lower the cost of intelligence and create sovereign compute infrastructure. *[Business Standard]*

Indian firm Yotta to build \$2 billion data centre with Nvidia's Blackwell chips — one of Asia's largest AI hubs: Indian data centre company Yotta Data Services said on Wednesday that it will build one of Asia's largest AI computing hubs using Nvidia's latest Blackwell Ultra chips. *[Mint]*



Industrial Infrastructure, Clusters and SEZs

Cabinet clears Rs 11,000 crore highway projects in Maharashtra, Gujarat, Telangana under PM GatiShakti: The Centre has cleared road infrastructure projects worth over Rs 11,000 crore across Maharashtra, Gujarat, and Telangana under the PM GatiShakti initiative, according to official announcements. *[The Economic Times]*

India-Singapore ties in infra investment to get stronger; aviation vital to economy: Panellists at the ET Now Global Business Summit delved into how vital civil aviation is to a subcontinental economy and the extent to which Singapore is backing India's infrastructure development plans. *[The Economic Times]*

NHAI accepts NHIT's Rs 6,221 cr offer to monetise two highway assets: NHAI has accepted National Highways Infra Trust's offer of Rs 6,220.90 crore for the asset monetisation of two highway sections of 310 kilometres. *[The Economic Times]*

India's next big power move is set to unfold in the Bay of Bengal: India's ambitious Great Nicobar infrastructure project has received a green light. This mega project, centered around a new transshipment port, aims to boost India's role in global shipping. It will reduce reliance on foreign ports and strengthen India's strategic presence near vital sea lanes. *[The Economic Times]*



Sustainable Industrialisation

India invested \$13 bn in distributed solar, adding 35 GW in 15 months: India has invested over \$13 billion to ramp up capacity creation in two flagship schemes in the distributed solar power sector, including the PM Surya Ghar Muft Bijli Yojana (PMSGMBY) for rooftop solarisation and the PM-KUSUM scheme for the solarisation of agricultural pump sets. *[Business Standard]*

India will strive to fulfil its climate goals-Nirmala Sitharaman: India is making significant progress in clean energy. The nation has already met two-thirds of its renewable energy goals, years before the deadline. India aims for 500 gigawatts of non-fossil fuel capacity by 2030. *[The Economic Times]*



Sectoral News

Air India, Lufthansa Group plan joint biz agreement to deepen collaboration: Air India and the Lufthansa Group plan to enter into a joint business agreement wherein the two sides will collaborate on multiple strategic areas, including coordinated route planning and flight schedules in specific markets. *[Business Standard]*

BSNL eyeing soft launch of 5G in six months, says CMD Robert Ravi: Bharat Sanchar Nigam Ltd (BSNL), India's fourth-largest carrier, is preparing for the launch of 5G service in six months in Delhi, on the back of progressive 4G rollouts. *[Business Standard]*

Gem, jewellery exports dip by 5.79 pc at USD 2,238.54 million in Jan-GJEP: India's gem and jewellery exports witnessed a 5.79 per cent on-year decline in January to USD 2,238.54 million amid global trade headwinds and tariff-related pressures in key markets, the Gem and Jewellery Export Promotion Council (GJEP) said on Friday. *[The Economic Times]*

India's textile and apparel exports down by 3.75% in January, outlook improves now with India US interim deal: India's textile and apparel exports registered a decline in January compared with the same period last year, largely due to high tariffs imposed by the United States that remained in force till February 7. *[The Economic Times]*

India auto dispatches climb in January: cars up 13%, two-wheelers 26%: Domestic passenger vehicle dispatches from companies to dealers rose 13 per cent year-on-year to 4,49,616 units in January, industry body SIAM said on Friday. *[Business Line]*

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