

Industry Matters

Weekly Updates

February 27, 2026



Economy, Industry and Policy

WTO must provide space for industrial policy flexibility: Industrial policy is likely to be a key topic for discussion at the forthcoming 14th WTO Ministerial Conference (MC-14) in Yaoundé, Cameroon, where reform of existing multilateral trade rules will dominate the agenda. *[Business Line]*

India removes 'most favoured nation' clause for France-What it means: India and France have signed an updated tax treaty that changes several important rules, including removing the "most favoured nation" (MFN) clause. *[Business Standard]*

Old WPI, new GDP base year series-Economists split on the impact: With India set to revise its gross domestic product (GDP) base year from 2011-12 to 2022-23 on Friday, economists are divided over whether the parallel lag in rebasing the Wholesale Price Index (WPI) will considerably distort real growth estimates. *[Business Standard]*

Asset monetisation under NMP 2.0 to boost India's GDP by ₹40 lakh crore over next 5-10 years-NITI Aayog: The report estimated that ₹6.2 lakh crore of Central Government and PSU proceeds may result in increased investment of approximately ₹12.2 lakh crore in infrastructure projects. *[Business Line]*

Telangana to launch Ease of Doing Business 2.0 policy soon-Industries Minister: Highlighting structural shifts in the economy, the Minister said technologies such as artificial intelligence and Industry 5.0 are reshaping work culture and business models. *[Business Line]*

India growth seen at 6.8-7.2% in FY27 as tax reforms lift outlook: EY Economy Watch: India's economy is set for strong growth, with projections between 6.8% and 7.2% for FY27. This expansion is fueled by expanding trade agreements and recent policy changes. These measures aim to boost household incomes and private consumption. *[The Economic Times]*

Near-term outlook favourable to sustain high growth-RBI report: RBI's monthly report says India's near-term outlook remains strong, supported by benign inflation, fiscal consolidation and renewed FPI interest after trade deals with the EU and the US. *[Business Standard]*

Govt announces seven measures, credit assistance to help boost exports: These measures are part of the ₹25,060 crore export promotion mission. Out of 10 components of the mission, three have already been rolled out in January. *[Business Standard]*

Govt slashes by half export benefit under RoDTEP scheme: In a major blow to Indian exporters, the government has restricted benefits under the popular Remission of Duties and Taxes on Exported Products (RoDTEP) scheme to 50 per cent of the notified rates and value caps. *[Business Line]*

Export Promotion Mission thoughtfully structured; impact uncertain: DGFT rolls out Export Promotion Mission guidelines and seeks feedback on digital trade reforms, signalling intent to boost exports, though impact will hinge on execution. *[Business Standard]*

India's e-commerce market projected to reach \$300 billion by 2030-BCG: India's e-commerce market is projected to surge from its current \$120-140 billion to \$280-300 billion by 2030. According to a report by Boston Consulting Group (BCG), *[Business Line]*

WTO panel to probe India's PLI schemes on auto, batteries on China's complaint: Beijing alleged India's schemes violated principles of national treatment; New Delhi argued there was no noticeable impact on China's trade interest. *[Business line]*



Foreign Investment

Net FDI into India negative for fourth straight month as outward repatriation hits record highs: Net foreign direct investment remained negative for the fourth consecutive month in December 2025, coming in at -\$1.6 billion, due to repatriation by foreign companies in India and outward investments by Indian companies exceeding the amount of direct investment entering the country, an analysis of the latest data from the Reserve Bank of India (RBI) shows. *[The Hindu]*

Modi government provided tremendous support and policies that encourage investment in India-Micron Tech CEO Sanjay Mehrotra: Micron Technology is investing USD 2.75 billion in Gujarat for a new semiconductor facility. This pioneering project will handle assembly and testing of advanced memory wafers. The facility's clean room is as large as 10 cricket fields. *[The Economic Times]*

India's AI and rare earths push to attract global funds, signalling new investment era for nation-ADB's Chatterton: The Asian Development Bank highlights India's stable environment and pro-business approach in generative AI data centres and critical mineral processing as key draws for private sector investment, set to drive capital inflows. *[Mint]*



Trade Policy and Competitiveness

Modi and Netanyahu power up India-Israel ties in defense, UPI, energy, and space: India and Israel have deepened their strategic partnership as Prime Ministers Narendra Modi and Benjamin Netanyahu unveiled a slate of new initiatives. The two nations will expand cooperation in defense, trade, innovation, and energy, while also pursuing joint projects in space technology and digital payment systems—signaling a pivotal upgrade in bilateral ties. *[The Economic Times]*

EU-India FTA opens doors to trade, AI, says Austria's State Secretary: The landmark EU-India Free Trade Agreement (FTA) is a transformative win-win pact that offers immense opportunities in trade, artificial intelligence (AI) and resilient supply chains, Austria's State Secretary in the Federal Chancellery Alexander Proll has said. *[Business Standard]*

In big boost, Cabinet may approve critical minerals pacts with Germany, Canada: The pact with Germany will focus on joint exploration, sustainable mining, supply chain resilience and technology transfer, sources said. *[Mint]*

India, Israel may sign FTA by this year," Israeli envoy to India: As Prime Minister Narendra Modi touches down in Israel this week, a wave of optimism accompanies discussions poised to transform bilateral relations. The focus will be on bolstering defense collaborations and renewing security agreements. *[The Economic Times]*

India's exporters in gems, textiles, engineering, and leather hasten US shipments amid tariff uncertainty: Indian exporters are accelerating shipments to the United States. This surge is driven by concerns over potential tariff increases by President Trump. Various sectors including gems, textiles, and engineering goods are working to maximize exports within a 150-day window. *[The Economic Times]*

India-China trade-Why a clear sectoral export strategy is imperative now: Despite recent gains, India's trade deficit with China continues to widen, reaching \$81.7 billion in April-December 2025, compared to \$74.1 billion a year ago. *[The Economic Times]*

India-EU-AISEF, European Spice Association ink deal to strengthen trade cooperation: Indian and European spice associations have agreed to work together on food safety and sustainability. This partnership aims to ensure Indian spices meet European Union standards. *[The Economic Times]*



Corporate Governance

JSW Infra approves equity fundraise to fuel growth, meet MPS norms: JSW Infra will raise up to 25 crore equity shares to support expansion and comply with Sebi's 25% public shareholding rule, as it targets 400 MTPA capacity and major logistics investments. *[Business Standard]*

Don't dampen MSME ambition-Compliance must ease without lowering standards: Easing compliance is welcome, but exemptions that discourage growth risk weakening governance; India's small firms need scale, finance and strong digital compliance systems. *[Business Standard]*

Indian regulators move to curb leverage in \$5.2 trn derivatives market: There is growing urgency in New Delhi after the RBI warned that excessive leverage may spark a market shock threatening household finances. *[Business Standard]*

Airtel to invest Rs 20,000 crore in NBFC arm to scale digital lending: Bharti Airtel is investing Rs 20,000 crore in its financial arm, Airtel Money. This move aims to build a large digital lending platform. The company seeks to expand access to formal credit across India. *[The Economic Times]*

Tata Communications, RailTel partner to expand AI-ready digital infrastructure: Tata Communications and RailTel Corporation of India are joining forces. They will combine their networks to build advanced digital infrastructure. This partnership aims to boost India's digital capabilities and serve international markets. *[The Economic Times]*

NTPC-MAHAGENCO consortium acquires Sinner Thermal Power: State-owned power giant NTPC on Wednesday said a consortium consisting of the company and MAHAGENCO has completed the acquisition of Sinner Thermal Power under insolvency proceedings on February 24. *[Business Line]*



MSMEs and Start-ups

StatsGuru-Productivity gap continues to hinder India's MSME growth: The Union Budget 2026-27 has placed the Micro, Small and Medium Enterprises (MSMEs) at the heart of India's growth by proposing a three-pronged approach to provide equity support, liquidity and access to expertise. *[Business Standard]*

How startups can overcome the ₹25-cr hurdle: Small and medium enterprises (SMEs) play a crucial role in the country's economy by contributing up to 30 per cent to the Gross Domestic Product (GDP). *[Business Line]*

Odisha mobilises over 5,000 MSMEs in clean energy push at Global Cleantech Expo: Odisha's Global Cleantech Expo, a significant boost to India's net zero goals, commenced in Bhubaneswar. The event, featuring over 200 companies from 20 nations, highlights Odisha's commitment to clean energy adoption through MSME support and ambitious renewable targets. *[The Economic Times]*

Faster capital deployment, government partnerships could move needle for biotech-Startups: The Biotechnology Industry Research Assistance Council (BIRAC) launched the fund on February 13 to bridge the funding gap between laboratory discovery and commercial production for biotech startups. *[The Economic Times]*



Employment and Industrial Relations

India Inc salary hike projected at 9.1% in 2026, skill-based pay leads: EY An EY India report said that GCCs are expected to record the highest salary growth at 10.4%, driven by sustained global demand and investments in specialised digital skills. *[Business Standard]*

EPFO plans single pool for ETF investments: The Employees' Provident Fund Organisation (EPFO) is set to consolidate its five schemes into a single account for ETF investments, moving from monthly to annual investment cycles. This aims to simplify regulatory and operational procedures. *[The Economic Times]*

Govt plans study to assess impact of formalisation on workers: The government has ordered a study to assess whether rapid formalisation and digitisation are generating durable income and jobs for informal workers. Led by EPFO, the review will guide corrective policies to ensure inclusive growth, as over 90% of India's workforce remains informal despite rising payroll additions and digital adoption. *[The Economic Times]*



Industrial Finance

SBI targets increasing its green advances portfolio to 10% by 2030: State Bank of India (SBI) -- the country's biggest lender -- has set a goal of increasing green advances to 7.5-10 per cent by 2030, with 25 per cent of these advances to be funded through green lines of credit. *[Business Standard]*

Commercial credit up 15% in a year as rate cuts spur demand: Commercial sector credit surged 14.7% year-on-year to over Rs 300 lakh crore by end-January, indicating increased loan demand following RBI's 125-basis-point rate cuts. Banks have regained market share, with incremental credit growth rising 35% in the first 10 months of the fiscal year. *[The Economic Times]*

UGRO Capital targets lower funding costs by FY27 amid moderating growth, MD says: UGRO Capital plans to lower its borrowing expenses by 1.25% by FY27. The company will focus on repricing liabilities and improving terms. This move will benefit end customers. UGRO Capital expects improved credit ratings and a stable balance sheet to aid this reduction. *[The Economic Times]*

India's instant loan boom spawns a new breed of micro-settlement platforms: The explosion of small-ticket, instant credit after 2020 has triggered a surge in delinquencies, especially in unsecured personal loans and 'buy now, pay later' categories. Zavo and Freed are connecting borrowers and lenders for settlement. *[Mint]*



Technology and Innovation

AI to be force multiplier for HCLTech, can boost productivity-Roshni Nadar: HCLTech chairperson Roshni Nadar Malhotra says AI will enhance per-employee productivity and transform entry-level roles, as the firm expands into new areas including semiconductor packaging. *[Business Standard]*

AI-driven coding delivering real productivity gains, says Zoho's Vembu: Sridhar Vembu, cofounder and chief scientist of Zoho Corporation, said that AI-driven coding has made dramatic, real productivity gains. While code, especially in SaaS, may become increasingly commoditised, the real leverage lies in the harness around AI. *[Business Standard]*

Rural-centric feature phone solutions set to anchor digital payments push: Govt sources say rural-focused feature phone solutions such as UPI 123Pay, IVR systems and offline payments will drive the next phase of India's digital payments expansion beyond smartphones. *[Business Standard]*

India's innovation mirage: The recent India AI Impact Summit 2026 did much that deserves acknowledgement. The scale of participation was encouraging. But it raises questions about innovation and outcomes. *[Business Line]*

Increasing use of AI, data analytics strengthening power sector-CAG Murthy: Comptroller and Auditor General (CAG) K Sanjay Murthy on Monday said with the increasing use of artificial intelligence and big data analytics in the power sector, the capacity to tackle inherent complexities in the sector is getting strengthened. *[Business Standard]*



Industrial Infrastructure, Clusters and SEZs

India's data centre boom raises concerns over power supply and grid capacity: With data centres already consuming up to 15% of local grid capacity in some areas, industry leaders suggest expanding into Tier-1 and Tier-2 cities to ease pressure. *[Business Line]*

IPO-bound CleanMax to invest ₹1,200 cr in 200 MW AP solar park: The facility is expected to generate around 445 million units of clean power annually and create nearly 690 direct and indirect jobs. *[Business Line]*

Kerala inks MoUs with central PSUs for Rs 2,000 cr Vizhinjam International Seaport project: Kerala is set to transform its maritime sector with a Rs 2,000 crore logistics master plan at Vizhinjam International Seaport. The state government has signed agreements with Indian Oil Corporation, Container Corporation of India, and Central Warehousing Corporation. *[The Economic Times]*

Adani firm, NMDC and Vale sign MoU to develop iron ore blending hub at Gangavaram Port: Adani Ports, NMDC, and Vale SA have signed an MoU to develop an integrated iron ore blending facility and SEZ at Gangavaram Port. This strategic collaboration aims to enhance India's East Coast iron ore export value chain, boosting efficiency and global competitiveness. *[The Economic Times]*



Sustainable Industrialisation

OMC Power enters EV battery repurposing biz in partnership with Honda: OMC Power has forayed into leveraging repurposed EV batteries to deliver energy storage solutions across diverse market segments, a top company executive said. *[Business Standard]*

Tata Motors to widen BaaS beyond Punch.ev to lift entry-level EV adoption: Tata Motors aims to drive EV uptake in the sub-Rs 12 lakh segment by extending battery-as-a-service beyond Punch.ev, targeting buyers who need lower upfront prices and usable range. *[Business Standard]*

PM Surya Ghar scheme crosses 30 lakh rooftop solar installations: Installation of rooftop solar power systems has crossed 30 lakh households since February 2024 under the central government's PM Surya Ghar: Muft Bijli Yojana, Union minister Pralhad Joshi said on Monday. *[Business Line]*

NTPC Renewable Energy begins commercial supply of 165 MW from Khavda-II solar project: NTPC Green Energy announced a significant milestone. Its arm, NTPC Renewable Energy, has commenced commercial supply from the second phase of its Khavda-II solar project in Gujarat. This adds 165 MW to the group's operational capacity. *[The Economic Times]*



Sectoral News

Qualcomm, Tata Electronics sign deal to make automotive modules in Assam: The collaboration aims to enable local production of automotive technologies for digital cockpits, infotainment, connectivity, and intelligent vehicle systems. *[Business Standard]*

Making complex and innovative products at scale, the next frontier, say pharma chiefs: The Indian pharmaceutical industry has achieved scale in making generic medicines, but the next frontier is in making complex and innovative products and adopt new capabilities including AI, as they face geo-political headwinds, among other challenges. *[Business Line]*

CDSCO eases NOC norms to speed up clinical research and pharma exports: India's drug regulator is withdrawing export NOC requirements for SRA markets and easing other low-risk approvals, even as it strengthens oversight of manufacturing quality. *[Business Standard]*

One target or five-Siam opposes Bureau of Energy Efficiency's CAFE 3 reset: The Society of Indian Automobile Manufacturers (Siam) has opposed the Bureau of Energy Efficiency's (BEE's) latest proposal to prescribe separate, tightening industry-wide carbon dioxide (CO2) emission targets for each year from 2027-28 (FY28) to 2031-32 (FY32) under the upcoming Corporate Average Fuel Efficiency 3 (CAFE 3) norms. *[Business Standard]*

Cement sector outlook positive on healthy demand and higher capex in FY27 budget-Nuvama: The report stated that cement demand and prices showed improvement in January 2025, indicating strengthening momentum in the sector. *[Business Line]*

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