

# Industry Matters

Weekly Updates

April 03, 2026



## Economy, Industry and Policy

**Govt notifies Finance Act 2026 that changes tax provisions from April 1:** The Finance Act 2026 has been notified, bringing changes to tax rules for the upcoming fiscal year. Parliament approved the Finance Bill 2026, completing the budgetary process. The Union Budget 2026-27 outlines significant expenditure and revenue targets. *[The Economic Times]*

**Strong domestic demand supports India's economy but West Asia tensions pose stagflation risks-Morgan Stanley:** Report highlights resilient GST collections, improving credit growth and auto sales; cautions on energy price volatility and external sector exposure. *[Business Line]*

**A severe test for monetary policy:** The Monetary Policy Committee (MPC) due to meet on April 6-8 faces many economic challenges arising from endogenous and exogenous factors relating mainly to regulatory and governance matters and the humungous uncertainty created by oil price spikes, scarcities of fertilizers and a number of other commodities and minerals. *[Business Line]*

**Relief for legacy investments-CBDT amends GAAR rules to restore tax certainty after Tiger Global ruling:** Investments made by private equity and hedge funds before April 1, 2017, will not be subject to additional tax under anti-avoidance laws. This follows an amendment by the Central Board of Direct Taxes (CBDT) to the Income Tax Rules (of both 1962 and 2025) regarding the applicability of the General Anti-Avoidance Rules (GAAR). *[Business Line]*

**Centre plans sweeping reforms as West Asia war jolts supply chains:** India is preparing a major reform plan. The government is focusing on self-reliance and strengthening domestic supply chains. This initiative aims to counter global disruptions. Actionable steps and quick wins are prioritized. The plan addresses short, medium, and long-term goals. Energy and fertiliser supplies are immediate concerns. *[The Economic Times]*

**Priced out of India's digital revolution-Taxes weigh on smartphone demand:** India's economy has been on the ascendant over the last decade, driven by large-scale, digital-first policy reforms. These well-thought-out strategic interventions have led to the creation of an ecosystem that empowers citizens. *[Business Standard]*

**Inverted duty structure posing challenging for MSME sector-Empower India:** The exclusion of input services and capital goods from the refund mechanism has compounded the challenge, creating a structural disadvantage that threatens the viability of businesses across manufacturing, exports, and services sectors, it added. *[Business Line]*

**Govt sees downside to growth estimates:** The Ministry of Finance on Saturday cautioned that there is 'considerable downside' to the country's upgraded growth forecast for FY27 due to the conflict in West Asia, underlining India's position as a major energy importer with strong trade, investment and remittance linkages with the region. *[Financial Express]*

**New I-T law, higher securities transaction tax on F&O trade to kick in from April 1:** New tax laws and budgetary provisions, including higher STT on F&O trades and lower TCS on overseas tour packages and LRS remittances for medical/education, take effect April 1. A 20-year tax holiday for data centre services and new safe harbour rules for software firms also commence with the 2026-27 fiscal year. *[The Economic Times]*

**Export rule-breaking-A good many offences could soon see punishments reduced:** New Jan Vishwas Bill: The proposed amendments reflect a broader policy push towards reducing criminal liability for business-related offences and promoting ease of doing business through a compliance-based regulatory approach. *[The Economic Times]*

**CII presents agenda for industry to mitigate war woes:** The Government has created a strong enabling framework and industries can complement this by ensuring continuity, supporting smaller enterprises and maintaining confidence across the economy. *[Business Line]*



## Foreign Investment

**Japan to create special cell to push FDI into India:** Japan's Foreign Ministry is launching a new center to help Japanese companies invest in India. This initiative aims to overcome challenges like complex regulations and tax systems. The center will also foster cooperation in AI, startups, and critical minerals. This move supports a goal of 10 trillion yen in private sector investment by 2035. *[The Economic Times]*

**Press Note 3 of 2020 amendment provides for beneficial ownership definition-Govt to Parliament:** New rules define beneficial ownership for countries sharing land borders with India. Investors from these nations can hold up to 10% ownership via the automatic route. FDI inflows are at a record high, showing strong returns for foreign capital. Production Linked Incentive schemes have attracted significant investment and created jobs. *[The Economic Times]*

**JFE invests ₹7,875 cr in JSW Steel joint venture company:** Sajjan Jindal-JSW Steel has informed that JFE Steel Corporation has invested the first tranche of ₹7,875 crore in the proposed joint venture company JSW Kalinga Steel. *[Business Line]*



## Trade Policy and Competitiveness

**WTO debates five-year extension of global ban on ecommerce tariffs:** As the World Trade Organization's (WTO's) 14th ministerial conference (MC14) drew to a close on Sunday, member nations were considering a five-year extension of the global ban on ecommerce tariffs, even as India continued to resist a long-term moratorium citing concerns over revenue loss. *[Business Standard]*

**Govt extends RoDTEP benefits for exporters till September 30:** Indian exporters receive a six-month extension for RoDTEP scheme benefits until September 30. This move aims to counter trade disruptions from the West Asia crisis. The scheme offers refunds on duties and taxes for manufactured goods. This support helps exporters manage rising freight costs and trade risks. *[The Economic Times]*

**India proposes "new approaches" for farm talks at WTO consistent with Doha mandate:** India urged the WTO to prioritize the development dimension of the Doha Work Programme, emphasizing mandated issues like Public Stockholding and Special Safeguard Mechanism. New Delhi stressed these should be addressed independently, not contingent on other reforms, and called for strengthening special and differential treatment for developing nations. *[The Economic Times]*

**US report flags high import duties, non-tariff barriers in India:** US Trade Representative's 2026 National Trade Estimate Report highlights issues related to tariffs, non-tariff barriers, intellectual property, services, digital trade and transparency. *[Business Line]*

**India's chance in supply chain reset** For three decades, global supply chains were built on a simple premise: efficiency above everything else. Production clustered where costs were lowest, logistics fastest and scale largest. *[Business Line]*

**USTR lists India's UPI and data rules as trade barriers:** America has identified several trade barriers in India. These include India's preference for local satellites for DTH services and the exclusion of US payment firms from UPI. Data localization rules and high tariffs on agriculture products are also cited. *[The Economic Times]*



## Corporate Governance

**New corporate law is welcome push for less friction, stronger governance:** The Corporate Laws (Amendment) Bill, 2026, is a welcome step in the ongoing evolution of India's corporate regulatory framework. Introduced in the Lok Sabha on March 23, it proposes wide-ranging amendments to the Companies Act, 2013, and the Limited Liability Partnership (LLP) Act, 2008, to further ease of doing business while strengthening governance. *[Business Standard]*

**Black Box raises ₹386 cr via warrant conversion, promoters invest ₹200 cr:** Digital infrastructure solutions provider Black Box, an Essar Group firm, on Monday said it has raised ₹386.36 crore through the conversion of warrants into equity shares, with promoters contributing ₹200 crore to the total infusion. *[Business Standard]*

**SEBI working group clears revised CAF ahead of PAN regime shift:** India's foreign portfolio investor (FPI) onboarding framework is set for a revision, with changes to the common application form (CAF) likely to be introduced to align with the new PAN application regime coming into force from April 1. *[Business Line]*

**Corporate credit profile resilient in FY26 with higher rating upgrade-Icra:** Corporate credit profiles remained resilient in 2025-26, with rating upgrades significantly outpacing downgrades, reflecting healthy balance sheets, steady domestic demand, and continued policy support, ICRA said on Wednesday. *[Business Standard]*



## MSMEs and Start-ups

**Startups now deliver healthcare too:** Moving on from digitising hospital settings and processes, startups are getting into the business of running them. *[Business Line]*

**SME IPO momentum surges in India, but Telangana yet to tap the opportunity:** India's IPO ecosystem is at an inflection point. While initial public offerings (IPOs) by small and medium enterprises (SMEs) are gaining momentum, many businesses still perceive them as complex," said President R Ravi Kumar. *[Business Line]*

**From Red Sea to Hormuz-Why MSMEs must rethink risk cover:** Geopolitical risks are now a business reality for Indian MSMEs. Conflicts disrupt supply chains and trade routes, causing significant financial losses. Standard insurance policies often exclude war risks, leaving businesses vulnerable. Many MSME owners are unaware of these gaps until a claim is denied. *[The Economic Times]*

**CII lists steps to ease pain of war-hit cos; seeks emergency credit support, relief measures for MSMEs:** Indian industry leaders have proposed emergency credit and loan restructuring for MSMEs. They are also seeking temporary relief measures and targeted liquidity support. The industry body suggests maintaining current policy rates and enhancing working capital access. *[The Economic Times]*

**Why India's steel SMEs must prepare for CBAM:** SMEs will face new demands such as emissions disclosure, cleaner energy sourcing and third-party audits. If these conditions aren't met, they risk exclusion from higher-value markets. *[Business Line]*

**India's 'thin-file' SMEs need smarter risk models, not more paperwork-Rubix Data Sciences' Mohan Ramaswamy:** As India pushes to formalise MSME (micro, small, and medium enterprise) financing through platforms like TReDS and expand liquidity channels, the conversation shifts from access to capital to the quality of risk assessment underpinning it. *[The Economic Times]*



## Employment and Industrial Relations

**Rules finalised, rollout of all 4 labour codes likely in April:** New rules for four labour codes are ready for notification. These codes consolidate 44 laws into 29 provisions. Implementation is expected in April. This will bring social security to unorganised workers, including gig and platform workers. Mandatory health check-ups and unemployment benefits will be introduced. *[The Economic Times]*

**Salary hikes at India Inc to be steady at 9.1% this year:** Indian companies anticipate salary raises to hold steady at approximately 9.1% in 2026. Life sciences and manufacturing sectors are projected to see the highest pay increases. Most other industries will experience stable or positive trends. *[The Economic Times]*

**AI, Cybersecurity, digital and data skills emerge as India's most critical future capabilities-NIIT India Skills Gap Report:** A new NIIT report reveals AI, cybersecurity, and digital/data skills are India's most critical future capabilities. Across all surveyed groups, these skills consistently rank in the top three for the next 3-5 years, driving hiring demand and shaping workforce growth. *[The Economic Times]*



## Industrial Finance

**AI funding-Fewer deals, larger cheques:** Venture funding in artificial intelligence (AI) is entering a phase of concentration, with the capital increasingly flowing into a smaller set of large, infrastructure-led bets even as the overall deal activity remains broad-based at the early stage. *[Financial Express]*

**Banks told to use Grameen Credit Score to assess rural borrowers:** Banks are being urged to adopt the Grameen Credit Score for rural borrowers. This move aims to boost access to formal credit for farmers and small businesses. The Grameen Credit Score will help in faster loan assessments. *[The Economic Times]*

**Utkarsh Small Finance Bank sold Rs 1491 crore of bad loans for just Rs 195 crore:** Utkarsh Small Finance Bank has offloaded bad loans worth Rs 1491 crore to asset reconstruction firms for Rs 195 crore. This move comes as the bank reported its worst gross non-performing assets ratio at 11% and a significant net loss in the third quarter. The sale involved two distinct pools of stressed microfinance loans. *[The Economic Times]*

**Bank credit to industry rises 13.5% in Feb on infra demand-RBI data:** Bank credit to industry grew at faster pace of 13.5 per cent on the fortnight ending February 28, compared with 7.5 per cent in the year-ago period, according to the RBI data released on Monday. *[Business Standard]*

**Dugar Finance raises \$5 million in Pre-Series A round led by HegdInvst:** The capital will help the company scale its secured MSME lending and enhance its vehicle finance business in underserved tier 2-6 semi-urban and rural markets. *[Business Line]*



## Technology and Innovation

**India's sovereign AI models find early takers among healthcare, education institutions:** Strong early demand from healthcare and education players is emerging as a key validation for India's push to build sovereign AI models, with companies under the India AI Mission reporting interest from both domestic and overseas institutions seeking country-specific solutions. *[Business Line]*

**India's semiconductor dream-The stars may finally be aligning:** To succeed in semiconductors, India needs to cultivate a distinct semiconductor identity—one that combines world-class design talent with packaging scale, specialty manufacturing, advanced integration, and disciplined industrial clusters. *[The Economic Times]*

**IndiaAI Mission startup Gnani raises \$10 mn from Aavishkaar, Info Edge:** Gnani.AI, which is part of the IndiaAI Mission, has raised \$10 million as part of a Series B funding round from Aavishkaar Capital and existing investor Info Edge Ventures. *[Business Standard]*

**AI looming large as Indian startups rack up \$10 billion in FY26:** Artificial intelligence-led startups dominated investor interest, while consumer tech, fintech and healthcare continued to attract venture capital flows during the year. Experts said investments in AI would further accelerate over the next year. *[The Economic Times]*

**Beyond the cloud-The nuts and bolts of India's data centre boom:** India's digital revolution hinges on a robust data center infrastructure, demanding a focus beyond software to the physical realities of concrete, steel, and skilled labour. *[The Economic Times]*



## Industrial Infrastructure, Clusters and SEZs

**Kandla Port surpasses cargo target of 158.60 mn tonnes, eyes record year:** According to an update on 'X', a Capesize vessel discharged 1,17,000 tons to a transshipment vessel, followed by a tandem transfer of 77,000 tonnes onto a Panamax vessel. *[Business Standard]*

**India grants temporary customs duty relief for SEZ goods sold domestically:** India will offer temporary customs duty relief for goods produced in special economic zones and sold domestically. The reduced duty rates, ranging from 5% to 12.5%, will be effective from April 1, 2026, to March 31, 2027, benefiting businesses that commenced production by March 31, 2025. *[The Economic Times]*

**Key takeaways from CEA's national power generation adequacy plan for the coming decade:** The Central Electricity Authority (CEA) has released its national generation adequacy plan for the decade from 2026-27 to 2035-36. *[Business Line]*

**India's next big economic unlock is home-grown energy:** The installed renewable capacity in the country has surpassed 200 GW, and the government aims for 500 GW of non-fossil energy by 2030. *[The Economic Times]*

**NHAI raises Rs 28,307 crore through monetisation in 2025-26; hopeful of achieving the Rs 30,000 crore target for FY'26:** The ministry of road transport and highways, on Monday, said the National Highways Authority of India (NHAI) monetised over 310 km of National Highways under InvIT Round-5 for Rs 6366.98 crore while realising Rs 3,087 crore from the toll-operate-transfer (TOT) Bundle-18. *[The Economic Times]*

**India must overhaul its electricity model to reduce energy vulnerability:** The external environment has given us fresh concerns about our domestic vulnerabilities. The conflict involving Iran disrupts energy markets and alters the calculus of risk. For India, the macroeconomic implications of oil-price shocks have been a problem since the early 1970s. *[Business Standard]*



## Sustainable Industrialisation

**India's EV transition must be inclusive, economically sustainable-HD Kumaraswamy:** India EV industry: Kumaraswamy said that ultimately the success of this transition will depend on strong partnerships between the government and the industry. *[The Economic Times]*

**PM E-Drive reset-Centre tightens deadlines, caps incentives for electric two and three wheelers:** New rules are in place for the PM E-DRIVE scheme. Electric two-wheelers registered by July 31, 2026, and electric three-wheelers by March 31, 2028, can get incentives. Price limits are set for vehicles to qualify. The scheme has a total fund of Rs 10,900 crore. *[The Economic Times]*

**Renewables' share in India's power mix rises to 20.2% in FY25:** India's renewable energy use has significantly increased. Renewable sources now provide over 20% of the nation's electricity. This growth reflects a national priority to tap into clean energy. Investment in renewable infrastructure is a key focus. Energy demand is also rising across the country. This progress highlights India's commitment to a sustainable energy future. *[The Economic Times]*

**Adani Green adds over 5 GW capacity in FY26, scales up Khavda project with BESS push:** Most of the capacity addition came from the Khavda renewable energy park, a 30 GW project under development, of which 9.4 GW has already been installed. *[Business Line]*

**Premier Energies commissions 5.6 GW solar module manufacturing facility in Telangana:** The facility is expected to create approximately 2,000 jobs, boosting local economy and strengthening India's clean energy manufacturing ecosystem. *[Business Line]*



## Sectoral News

**Govt starts talks with automobile companies on shift from E20 to E25:** Government explores E25 fuel shift beyond E20, but automakers flag emission risks, liability concerns, and lack of testing amid rising crude oil pressures. *[Business Standard]*

**Centre looks to trigger 'Essentials' Act to regulate prices of bulk drugs:** The government is evaluating if it needs to invoke the Essential Commodities Act to regulate prices of bulk drugs or active pharmaceutical ingredients (API) and curb hoarding amid the evolving situation in West Asia. *[The Economic Times]*

**Govt clears 29 investment proposals worth ₹7,104 cr under Electronics Component Mfg Scheme:** The government has approved 29 applications under the electronics component manufacturing scheme entailing cumulative investment of ₹7,104 crore, a senior IT ministry official said on Monday. *[Business Line]*

**\$174 billion on the brink-India's textile industry reels under West Asia war shock, braces for 'huge crisis' in April:** India's massive textile sector is grappling with a severe crisis with the ongoing West Asia conflict driving up oil and raw material costs. This situation is threatening the industry's ambitious growth targets. *[The Economic Times]*

**Automotive metal forming market to reach \$95 billion by FY30:** The industry has crossed a critical threshold in recent years, surpassing \$80 billion in size in FY25 and transitioning from being a net importer to become a net exporter. *[Business Standard]*

**Rare earth corridors will reduce import dependence-Jitendra Singh:** The dedicated rare earth corridors proposed in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu aim to reduce import dependence and enhance domestic capability in the strategic sector, Union Minister Jitendra Singh said on Wednesday. *[Business Standard]*

**Telecom infra must rest on strong fibre network:** India today stands tall as the world's fourth-largest economy and among the fastest-growing major economies. It is also a digital powerhouse — leading the world in mobile data consumption, scaling digital public infrastructure such as UPI, and connecting hundreds of millions of citizens to the internet. *[Business Line]*

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