

# Industry Matters

Weekly Updates

April 24, 2026



## Economy, Industry and Policy

**West Asia conflict prompted MPC status quo, flag external sector risks:** The ongoing West Asia conflict weighed on the Monetary Policy Committee's (MPC's) deliberations at its April meeting, with members unanimously voting to keep the policy repo rate unchanged and retain a neutral stance amid heightened uncertainty. *[Business Standard]*

**DPIIT rolls out multi-sectoral regulatory relaxations to bolster industrial supply chains:** The Department for Promotion of Industry and Internal Trade is ensuring continuous supply of fuel, gas, and essential raw materials. Measures include customs duty waivers and expedited licensing. Applications for CNG and CBG stations are processed quickly. *[The Economic Times]*

**India likely to grow 7% in FY27 on domestic demand, investments; inflation to remain in range-EAC-PM chairman Dev:** The economy's resilience in the face of headwinds generated by the West Asia war could be demonstrated by the narrowing of India's trade deficit to \$20.67 billion in March, said S. Mahendra Dev, chairman of the Economic Advisory Council to PM. *[Mint]*

**RBI proposes measures to strengthen Prepaid Payment Instruments framework:** The Reserve Bank of India is introducing new rules for Prepaid Payment Instruments. These changes aim to boost the long-term growth of these payment tools. Enhanced transaction security and clearer guidelines on refunds and customer grievances are key proposals. *[The Economic Times]*

**Indian economy's resilience 'not by chance'-RBI Governor:** Reserve Bank of India Governor Sanjay Malhotra has pointed out that the "the resilience of the Indian economy is not by chance," crediting the stability and growth of the central bank to its strong and credible institutions. *[Business Line]*

**Impact on growth and inflation to depend on duration of West Asia conflict-MPC says:** RBI policymakers acknowledged that a prolonged West Asia conflict poses risks to India's economic growth and inflation, though the economy remains resilient. The monetary policy committee opted for a wait-and-watch approach due to geopolitical uncertainties and concerns over El Nino's impact on inflation. *[The Economic Times]*

**State capex hits 2.7% of GDP under SASCI scheme:** The SASCI scheme has boosted state capital spending to 2.7% of GDP. However, utilization of central loans for capital expenditure is uneven across states. Some states like Madhya Pradesh and Maharashtra show strong uptake, while others like Kerala and Telangana lag. This divergence is attributed to fiscal constraints and structural differences. *[The Economic Times]*

**India's economy projected to grow at 6.4% in 2026, 6.6% in 2027-UN report:** In India, economic activities moderated in the second half of 2025 as exports to the United States declined by 25 per cent following the introduction of 50 per cent tariffs in August 2025. *[Business Standard]*

**Finance Ministry plans to broaden Actuaries Act scope beyond insurance, pensions:** The finance ministry is set to update the Actuaries Act, 2006. This will expand actuarial science to include data science and risk management. A new framework for regulating actuarial firms will also be introduced. These changes aim to modernize the profession and meet growing economic needs. *[The Economic Times]*

**India to build Korea industrial township, push for balanced trade-Goyal:** Commerce and industry minister Piyush Goyal on Monday said that India plans to set up a dedicated "Korea enclave" or a large industrial township with plug-and-play infrastructure to attract greater investment from South Korean companies. *[Business Standard]*

**India's buffers can steady markets, but hard policy choices lie ahead:** India is navigating uncertainties arising from the US-Israel-Iran conflict. Economic and regulatory buffers are in place, and markets have priced in higher risk. However, macroeconomic vulnerabilities remain. India needs more investments and innovation. *[Business Standard]*

**Exports-Services grow, goods stall, jobs lag, denting growth outlook:** India's export growth is driven by services while merchandise stagnates, raising concerns over jobs, competitiveness, and long-term trade strategy. *[Business Standard]*



## Foreign Investment

**Short-term fluctuations, including FDI outflows closely monitored-RBI's Sanjay Malhotra:** RBI Governor Sanjay Malhotra addressed financial leaders in New York, assuring them that short-term economic fluctuations are being closely watched. He detailed ongoing reforms aimed at boosting foreign investment and market integration. *[The Economic Times]*

**Govt may hike FDI limit in pension sector, Bill likely in Monsoon session:** The government may hike the foreign direct investment (FDI) limit in the pension sector to up to 100 per cent and a Bill in this regard is expected in the next Parliament session, according to sources. *[Business Standard]*

**Net sales growth of FDI companies moderated to 8.7% in FY25-RBI data:** Net sales growth for select FDI companies in India moderated to 8.7% in 2024-25, down from 9.4% the previous year, according to RBI data. While services sector sales saw a slight increase, manufacturing sector growth decelerated. Operating profit growth also slowed to 10.7% due to rising expenses. *[The Economic Times]*

**Outbound FDI surged 27.5% in March to \$7 billion, shows RBI data:** Rise in overseas investment driven by sharp jump in guarantees, even as equity commitments and loans show mixed trends, RBI data indicates. *[Business Standard]*

**The K-pop cash flow-South Korean beats power India's FDI remix:** South Korean President Lee Jae Myung's visit to New Delhi signals India's strategic push for large-scale FDI in advanced manufacturing and technology. Discussions focused on deepening capital flows, particularly in semiconductors, shipbuilding, and energy, aiming to position India as a preferred investment base amidst global supply chain shifts. *[The Economic Times]*

**Singapore emerges as top FDI source in Apr-Dec FY26, high inflows from tax havens:** Singapore emerged as the top source of FDI equity inflows into India during April-December FY26, contributing \$17.6 billion. The US and Mauritius followed, with significant investments also noted from tax havens like the Cayman Islands and Cyprus. *[The Economic Times]*



## Trade Policy and Competitiveness

**Focus on boosting shipbuilding ties: India, S Korea set \$50 bn trade target:** With both Seoul and New Delhi navigating uncertainty caused by recent international developments, including the conflict in West Asia, India and South Korea on Monday committed to nearly doubling bilateral trade to \$50 billion by 2030. *[Business Standard]*

**West Asia war has delayed India-GCC FTA negotiations-NITI Aayog:** Trade Watch report highlights geopolitical risks to trade diplomacy, flags vulnerabilities in gems and jewellery sector and calls for structural reforms. *[Business Standard]*

**US starts tariff refunds; Indian exporters need to engage with buyers-GTRI:** The Global Trade Research Initiative said that the engagement will be important as the refunded payments go only to US importers, and exporters have no legal right to claim them. *[Business Standard]*

**India, Korea ink MoU to boost MSME ties:** The MoU creates a structured framework for collaboration between the two countries, enabling continuous dialogue on key MSME issues and encouraging exploration of mutually beneficial opportunities, the ministry said in a statement. *[The Economic Times]*

**Trade uncertainty-India should forge a resilience alliance of neutral countries with common interests:** As trade rules fall apart and geopolitical shocks disrupt supply chains, the WTO has been left as a hapless bystander. A resilience alliance could forge a network of trusted interdependence that serves mutual ends but leaves nobody vulnerable. *[Mint]*

**Rethinking trade rules in an age of disruption:** When disruption becomes routine, the absence of rules to manage it turns into a systemic failure. Pandemics, wars and sanctions are no longer outliers; they increasingly define the conditions under which global trade operates. *[Business Line]*



## Corporate Governance

**Foreign ownership can boost Indian financial firms' credit profile-Fitch:** Fitch said recent greater interest from foreign investors indicates their rising confidence in India's long-term growth prospects, the financial sector's regulations, and improved risk governance. *[Business Standard]*

**Hindustan Copper plans ₹7,189-cr capex over 5 years for expansion of mines:** State-owned Hindustan Copper Ltd (HCL) has planned a capital expenditure of ₹7,188.90 crore over the next five years for the expansion of its mines. *[Business Line]*

**EU regulatory approvals for Tata Motors' \$4.4 bn Iveco deal run behind schedule:** Tata Motors' \$4.4 billion Iveco buyout is facing delays as key European regulatory approvals remain pending, pushing the deal beyond its planned timeline. The lag could defer revenue recognition and slow down the integration of the company's largest acquisition. *[Mint]*

**AI's rapid rise forces India to rethink 'light-touch' regulations:** The need for tighter oversight was felt following recent developments, including two controversies around explicit AI-generated content on Grok, the AI chatbot embedded in social media platform X. *[Mint]*



## MSMEs and Start-ups

**MSME activity expands but loses steam as global headwinds bite-PHDCCI survey:** India's manufacturing MSME sector continues to expand. However, growth momentum is slowing. New orders and production are increasing at a slower pace. The outlook for the next quarter remains positive but cautious. *[The Economic Times]*

**AI key to India's \$30 trillion economic goal-Bharat1.AI's Umakant Soni:** A three-to-five-year window will decide whether India builds its own AI ecosystem or becomes a consumer, says Bharat1.AI chief Umakant Soni, warning of growth risks. *[Business Standard]*

**India's growth engine is quietly powered by disciplined MSMEs, says Stanford Seed's Harish Arnezath:** India's economic growth is increasingly driven by disciplined MSMEs, not just startups. Stanford Seed's Harish Arnezath highlights that founders must transition from operators to strategic leaders, emphasizing delegation and clear governance over just capital. *[The Economic Times]*



## Employment and Industrial Relations

**India's unemployment to tick up, inflation to rise in 2026-Moody's:** Moody's Analytics projects India's unemployment rate to edge up to 7 per cent in 2026, while inflation may rise to 4.5 per cent, the highest among Asia-Pacific peers. *[Business Standard]*

**Govt mulls doubling Atal Pension Yojana payout cap to boost uptake, retention:** Government is looking to strengthen social security for informal workers by doubling pension payouts under the flagship Atal Pension Yojana to up to ₹10,000 a month. *[Mint]*



## Industrial Finance

**Microfinance business thrown a lifeline but still not out of the woods:** The ₹20,000 crore Credit Guarantee Scheme for Microfinance Institutions-2.0 (CGSMFI 2.0) will work only if the trade refashions itself. The scheme had been in the works for nearly six months and became effective from March 20. *[Business Standard]*

**El Niño Impact on rural credit is likely to be lagged, localised:** The weather pattern, El Niño, is unlikely to cause systemic rural credit stress in 2026, as risks will remain lagged, localised, and state-specific, according to a report by India Ratings. Also, larger, diversified non-banking financial companies (NBFCs) are better positioned to manage El Niño-related volatility. *[Business Standard]*

**Microfinance needs reform more than credit backstops if India wants to avert another crisis in this sector:** Liquidity support by the Centre may offer symptomatic relief, but India's microfinance sector needs a structural recast. Without reforms to address recurring cycles of over-lending and loan stress, another credit guarantee package will only postpone the next crisis in this fragile sector. *[Mint]*

**Pay Point India becomes first fintech to join RBI's Centralised Payment System:** With this membership, Pay Point India now has direct access to key payment systems—Real Time Gross Settlement and National Electronic Funds Transfer—without relying on partner banks. *[The Economic Times]*

**How secured loans can open new doors to credit-based growth for MSMEs:** To countless Indian micro, small, and medium enterprises (MSMEs), secured lending is a burden which often hides the price a borrower pays for lacking credit history. Securing credit for such MSMEs is painfully fraught with exchanging collateral for loan—gold, loans against securities, property, and basically anything that assures the lender of repayment. *[The Economic Times]*



## Technology and Innovation

**RuPay tailwind drives fintech push for co-branded credit cards on UPI:** Fintech companies ramp up RuPay-linked credit cards to tap UPI-driven usage, boost transaction volumes, and expand reach among new-to-credit customers. *[Business Standard]*

**RBI eases e-mandate rules-Rs 15,000 cap for digital payments without OTP:** RBI issues new e-mandate framework allowing auto-debits up to ₹1 lakh without OTP, mandates alerts and strengthens customer protection across UPI, cards and PPIs. *[Financial Express]*

**How EU battery rules could quietly transform India's smartphone market:** A push for durability, repairability, and lifecycle control in Europe may spill over into India, reshaping how devices are designed, supported, and eventually replaced. *[Business Standard]*

**India's AI value paradox:** India's development story has long been measured in concrete and steel. Highways stretch across States, metro networks cut through urban corridors and airports expand to accommodate a growing economy. *[Business Line]*

**Clearing Corporation of India Ltd eyes AI-led, resilient market infra growth:** Future financial markets require enhanced agility, intelligence, and integration. CCIL Chairman Rajeshwar Rao highlighted the need to manage cyber threats and supply chain disruptions. Emerging technologies like AI and machine learning will boost efficiency and resilience. *[The Economic Times]*



## Industrial Infrastructure, Clusters and SEZs

**Govt extends PMGSY-III with ₹83,977 crore outlay, approves rail projects:** The Cabinet has extended PMGSY-III till March 2028 with ₹83,977 crore outlay and approved key railway expansion projects to enhance connectivity, capacity and support economic activity. *[Business Standard]*

**CII proposes comprehensive reforms to streamline industrial land management for manufacturing growth:** The Confederation of Indian Industry (CII) has outlined a comprehensive roadmap to address structural and procedural bottlenecks in India's industrial land ecosystem to accelerate the country's manufacturing growth. *[Business Line]*

**West Asia conflict clouds outlook, but infra investments seen rising 45-50% through FY27-28-Crisil:** India's infrastructure investment is set for strong growth of 45-50% over the next two years. This surge is fueled by robust domestic demand and supportive government policies. Sectors like renewable energy and data centers will lead the expansion. *[The Economic Times]*

**Andhra Pradesh to host Rs 5,400 crore solar manufacturing project groundbreaking:** Andhra Pradesh Chief Minister N Chandrababu Naidu will lay the foundation stone for ReNew Energy Global plc's Rs 5,400 crore solar manufacturing facility in Anakapalli district. This 6 GW solar ingot and wafer unit marks a significant step in India's push for domestic clean energy manufacturing and energy security, aligning with the state's Integrated Clean Energy Policy 2024. *[The Economic Times]*

**Vizhinjam Port cuts Vallarpadam transshipment volumes by half in FY26:** Competition from Vizhinjam Port is now clearly impacting transshipment traffic at ICTT Vallarpadam, with volumes dropping sharply by nearly 50 per cent in FY26. *[Business Line]*



## Sustainable Industrialisation

**Renewable energies overtake global electricity demand in India, China:** Clean power generation grew 887 terawatt hours last year, exceeding overall global electricity demand growth of 849 terawatt hours, according to a report by energy think tank Ember. *[Business Standard]*

**CleanMax to supply RE power to Shell from upcoming 30 GW hybrid projects:** In Gujarat, CleanMax is developing a 16.83 MW hybrid renewable energy plant, comprising 6.93 MWp of solar and 9.90 MW of wind capacity. *[Business Line]*

**Energy security should drive adoption of renewables now-Hero Future Energies chief Rahul Munjal:** Rahul Munjal of Hero Future Energies said India must shift its renewable energy narrative from climate goals to energy security amid oil supply disruptions. He stressed scaling from gigawatts to terawatts, highlighting green hydrogen, solar, and wind as key to reducing crude oil dependence. *[The Economic Times]*

**China, India place strategic bets on clean energy out of favour in the West:** China and India are aggressively pursuing green hydrogen, investing billions to build massive production capacity. While China focuses on scale and preserving industrial dominance, India prioritizes energy security through subsidies and domestic demand aggregation. *[The Economic Times]*

**Amara Raja plans to begin bulk production of EV cells in 2027:** India is building a lithium-ion cell manufacturing ecosystem. EV makers should anticipate a price premium on locally produced cells in the near future. Companies like Amara Raja and Tata Group's Agratas are investing heavily. *[The Economic Times]*

**Clean energy generation surges in India, coal still dominates:** India's renewable power generation reached a record high in 2025. Solar and wind power led this surge, setting new individual records. This growth led to a decline in coal generation. However, coal still remains the primary source of electricity in India. This trend highlights a significant shift in the country's energy landscape. *[The Economic Times]*

**How India's EV adoption will soar by 2030:** India's EV sector is experiencing rapid growth, supported by government incentives and advancements in battery technology. Efforts to expand charging infrastructure and reduce import duties are crucial factors driving the adoption and demand for electric vehicles, setting a promising path towards significant market penetration by 2030. *[The Economic Times]*



## Sectoral News

**India's power transmission sector to see ₹9 lakh crore capex push by 2032:** The report stated that sector-level ordering in FY26 (16 schemes awarded) was weaker than FY25 (45 schemes awarded) due to temporary bandwidth constraints, not a structural demand slowdown. *[Business Line]*

**Smartphones emerge as India's export champions in FY26:** India's electronics exports saw a significant 24% rise in the last fiscal year. Smartphones led this growth, with exports climbing nearly 22%. This surge highlights the success of the government's production linked incentive program. Key export destinations included the US, UAE, and China. *[The Economic Times]*

**India's textile exports rise 2.1% in FY26 to ₹3.16 lakh crore, led by RMG:** India's textile exports, including handicrafts, recorded a growth of 2.1 per cent in FY 2025-26, reaching Rs 3,16,334.9 crore compared to Rs 3,09,859.3 crore in the previous financial year, according to data released by the Ministry of Textiles on Wednesday. *[Business Line]*

**CAFE 3-Car prices to rise up to ₹1.25 lakh; ₹1.48 lakh cr industry impact:** Cars in India are about to get more expensive, and the shift is bigger than it looks. Under the upcoming CAFE III norms, car prices could rise by ₹20,000 to ₹1.25 lakh, even as the auto industry stares at a ₹61,500–1.48 lakh crore transition bill. *[Business Line]*

**Jio Financial Services, Allianz Group ink 50:50 general, health insurance JV:** Jio Financial Services and Allianz Group from Germany are joining forces in an exciting new insurance initiative. This equal partnership will concentrate on providing general and health insurance products uniquely designed for Indian consumers. *[The Economic Times]*

**India's projects economy is going digital, and that changes everything:** As India enters a massive infrastructure build-out phase, digital tools, startups and data-driven systems are transforming project execution, improving efficiency and reshaping the construction ecosys. *[Business Standard]*

**Parliamentary committees on insurance must expand scope, sharpen focus:** In 1993, the government set up the R N Malhotra Committee — a step that went on to redraw the contours of the insurance sector. It helped break the 1950s-style state monopoly and invited private participation, including foreign players through joint ventures. *[Business Standard]*

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