

Industry Matters

Weekly Updates

May 15, 2026



Economy, Industry and Policy

Entrepreneurism in late colonial Odisha: Madhusudan Das had argued for building Industrial competitiveness by observing western approach to Entrepreneurship, in which success and failures were both opportunities to learn [*OrissaPost*]

Reforms will continue; industry needs to spend more on R&D, shed protectionist instinct-NITI Member: NITI Aayog Member Rajiv Gauba urged Indian industry to boost R&D investment and shed protectionism to become a global production hub. He emphasized the need for "nuts and bolts" reforms to foster trust-based governance, while industry leaders called for institutionalized, measurable reforms and clear laws. [*The Economic Times*]

Private sector capex surges 67% to ₹7.7 lakh crore in first half of FY26-CII: Capital expenditure by private sector surged by 67 per cent in the first half of fiscal year 2025-26 (FY26), industry body Confederation of Indian Industries (CII) said on Sunday. [*Business Line*]

CEA Nageswaran says West Asia crisis a balance of payments stress test; to impact CAD, inflation & exchange rate: Large companies must pay micro and small enterprises on time. This eases their working capital and reduces funding costs. Managing the current account, financing it, and preventing currency depreciation are key macroeconomic goals for FY27. [*The Economic Times*]

India's gold policy trap-Cut duty to curb smuggling, raise to save rupee: The Centre on Wednesday increased import duty on gold and silver to 15 per cent from the previous 6 per cent. The import duty on platinum was also raised to 15.4 per cent from 6.4 per cent. [*Business Standard*]

Containing war impact on growth, current account-PMO stitching up plan to boost foreign fund flow: Officials at both the finance ministry and Niti Aayog are identifying economic opportunities presented by the Iran conflict, as well as gauging the impact of the surge in global oil prices on the economy under different price bands. [*The Economic Times*]

RBI likely to pay record dividend to govt this year: The Reserve Bank of India is set to transfer its highest-ever dividend to the central government. This substantial payout will offer the Centre a crucial fiscal cushion. The RBI's board will decide the dividend amount this month. [*The Economic Times*]

VB-G RAM G Act to come into force from July 1, MGNREGA to be repealed-Govt: The Centre on Monday announced that the new Viksit Bharat — Guarantee for Rozgar and Ajeevika Mission (Gramin) (VB-G RAM G) Act will come into force across the country from July 1, replacing the Mahatma Gandhi National Rural Employment Guarantee Act. [*Business Line*]

New Income Tax law aims to build transparent, tech-driven ecosystem for taxpayers: Pune's Principal Chief Commissioner of Income Tax, Vivek Wadekar, announced the new Income Tax Act, 2025, aims to simplify compliance and foster transparency. [*The Economic Times*]

FinMin empowers Principal Bench of GSTAT as National Appellate Authority for Advance Ruling: The Finance Ministry has notified the Principal Bench of GST Appellate Tribunal as the National Appellate Authority for Advance Rulings with effect from April 1. *[Business Line]*

Need nuts-and-bolts reforms, industry must invest in R&D-NITI Aayog's Gauba: Niti Aayog member Rajiv Gauba said next-generation reforms must make a clean, decisive break from the colonial mindset of distrust of citizens and punishment even for small violations to trust-based governance. *[Mint]*

India must first understand what it spends on public sector compensation: Public sector compensation is one of the largest and most rigid components of government expenditure. Yet across countries, the true fiscal cost of public employment is often poorly measured. India is no exception — but recent analysis suggests the underestimation is far greater than previously understood. *[Business Standard]*

India plans 'Made in India' brand scheme, targets gaps in domestic manufacturing: India is identifying 100 products for enhanced domestic manufacturing, including auto parts, to boost production for global markets. A 'Made in India Brand Scheme' is planned, following a successful pilot in the steel sector, to assure quality and value addition. *[The Economic Times]*

Govt mulls new programme to bolster rural industrial landscape: A new government program, Rural Prosperity and Rural Resilience, will connect industries directly with rural producers. This initiative aims to boost value chains, skills, and market access. It will foster distributed manufacturing and corporate presence in rural areas. *[The Economic Times]*

Manufacturing push, decline in farm jobs, reshape India's workforce: India's labour force is undergoing structural transformation with the share of agriculture in the workforce witnessing a modest 23% decline from 66% in 1987-88 to 43% in 2023-24 over a 37-year period," the report stated. *[Business Line]*



Foreign Investment

FDI slowdown in India not a source of alarm, says DBS chief economist: In a landscape where global capital is increasingly directed towards the booming electronics and AI industries in Asia, the recent dip in India's foreign direct investments poses little threat. The world economy demonstrates impressive resilience in the face of geopolitical challenges, reflecting how companies and governments have successfully navigated turbulent waters. *[The Economic Times]*

Crown Worldwide to take India investment to \$30 million, targets ₹500 crore revenue by 2030: Hong Kong-based Crown Worldwide Group will invest another \$15 million in India over the next two years and is targeting more than ₹500 crore in revenue from the country by 2030. *[Business Line]*

India's economic strength defies foreign outflow fears-S&P: S&P Global Ratings said India is coping with global financial pressures better than headline data indicate, adding that concerns over foreign investment outflows are overstated. The agency said India has enough buffers to manage a wider current-account deficit caused by rising oil prices. *[The Economic Times]*

Global turmoil tests India's resilience; time for a strategic economic pivot: India faces economic challenges due to global events. Prime Minister Modi urges careful resource use. The nation must boost foreign investment and cut imports to strengthen its economy. Focus on energy transition and attracting capital will build resilience. *[The Economic Times]*



Trade Policy and Competitiveness

India seeks early resolution of issues related to implementation of EFTA trade pact: The minister highlighted that within 200 days of TEPA's implementation, new Indian product lines have entered the Swiss market, services trade has gained momentum, and investment interest has strengthened. *[Business Line]*

India-Japan seek to advance coop in critical minerals, semiconductors & ICT: India and Japan have strengthened economic ties. A key dialogue focused on industrial and technological cooperation. Five sectors were prioritised: critical minerals, semiconductors, ICT, clean energy, and pharmaceuticals. Both nations aim to build resilient supply chains. *[The Economic Times]*

India set to bolster trade and strategic ties with Africa at 4th summit meet: India hopes to intensify its trade and investment ties with Africa and focus on cooperation across sectors including agriculture, defence, education, green energy, health and digital partnership at the 4th India-Africa Forum Summit in New Delhi this month-end. *[Business Line]*

Industry must better leverage FTAs for trade growth-Commerce Secy: The Indian industry needs to leverage and utilise the free trade agreements (FTAs) that India is finalising, as they provide huge opportunities for both trade and investments, Commerce Secretary Rajesh Agrawal said on Monday. *[Business Standard]*

India targets \$1 trillion exports in FY27 as FTAs come into effect-Goyal: With an eye on reaching \$1 trillion in exports by FY27, India is launching into a new era of trade. The upcoming implementation of various free trade agreements, combined with efforts to streamline business regulations, is designed to create a robust trade environment. *[The Economic Times]*



Corporate Governance

Let's improve how we make laws and frame rules by granting regulatory impact assessments a statutory anchor: A legal framework to assess the effects of laws and rules would make India's regulatory apparatus more evidence-based, transparent and business-friendly. In any case, new trade agreements include provisions for regulatory impact assessments (RIAs). *[Mint]*

Fast-track justice reshapes India's corporate governance structures: India's faster-moving courts and tribunals are reshaping corporate governance by accelerating resolutions in high-profile disputes involving insolvency, fraud allegations and shareholder rights. *[Financial Express]*

Adani Ports to invest \$1.36 billion in Europe expansion: Adani Ports said on Tuesday (May 12, 2026) it will deepen its European footprint by building offshore capabilities with U.S. engineering firm Oceaneering International, committing \$1.36 billion in capital spending through fiscal year 2031. *[The Hindu]*

India Inc's boardrooms have failed spectacularly at corporate governance: Whenever a corporation in India rises meteorically, the instinct is to wait before exhaling. Mostly, these corporations survive and thrive, riding on the sparkling new opportunities of economic reform. *[Business Standard]*



MSMEs and Start-ups

Helping MSMEs cope with ESG compliance: The latest Free Trade Agreement (FTA) that India has signed is with New Zealand. Prior to this, India concluded similar trade agreements with the UK and EU while a trade deal with the US is currently under negotiation. *[Business Line]*

Large companies must ensure timely working capital release of MSMEs-CEA: Large companies must ensure timely release of payments to micro and small enterprises to ease their working capital needs and reduce cost of funds, Chief Economic Advisor V Anantha Nageswaran said. *[Business Standard]*

India pushes MSME finance, cooperation agenda under BRICS: India is leading BRICS efforts to boost small businesses. The focus is on better access to finance and using fintech for credit. BRICS nations are sharing ideas to overcome challenges. The initiative supports economic growth and job creation. *[The Economic Times]*

Why two- and three-wheeler EV startups are pushing for PLI scheme inclusion: Home-grown electric vehicle startups in the two- and three-wheeler space have been miffed for long over the production-linked incentive (PLI) scheme for automobiles. Recently, they upped the ante, telling the government that the existing PLI scheme has "critical structural constraints". *[Business Standard]*



Employment and Industrial Relations

Central labour rules notified-What the new framework means for industry: The notification of the final central rules under the four labour Codes on May 8 marks a clear shift from policy intent to implementation. These rules, issued under the Code on Wages, Code on Social Security, Occupational Safety, Health and Working Conditions Code, and the Industrial Relations Code, provide the operational framework needed to implement the labour Codes. *[Business Standard]*

Urban youth unemployment in India declines, remains below global average-SBI Research: The report highlighted that India's youth unemployment rate has moderated consistently since 2022 despite persistent global labour market challenges. *[Business Line]*

Employment-India's PLFS report shows seven ways in which its labour market is undergoing a structural shift: Data from India's latest Periodic Labour Force Survey (PLFS) shows that a set of forces could expand opportunities and lend the country's workforce more resilience. Here are seven pointers to the future of employment. *[Mint]*

Govt eyes new employment blueprint after labour code rollout: The central government has fully operationalised four new labour codes, consolidating 29 laws into a simplified framework designed to be both pro-worker and business-friendly. These codes aim to foster effective coordination between labour and industry. The ministry also plans a comprehensive employment policy to guide future job generation. *[The Economic Times]*



Industrial Finance

ADB commits over \$5 billion to India in 2025 for skills, clean energy, transport and urban projects: The Asian Development Bank (ADB) strengthened its partnership with India in 2025 by committing more than \$5 billion in sovereign and private sector financing across sectors, including skills development, clean energy, transport, urban infrastructure, healthcare and sustainable tourism. *[Business Line]*

NBFC-MFIs drive sharp rise in microfinance originations in Q4: NBFC-MFIs led the growth in microfinance originations during Q4FY26, while higher average ticket sizes and continued lending to existing borrowers supported disbursement momentum. *[Business Standard]*

Indian Banks poised for double-digit corporate credit growth on infra, energy, data centre push: Indian banks foresee robust corporate loan growth this fiscal year. Demand is surging from key sectors including renewable energy, infrastructure, and manufacturing. Major lenders like SBI and Bank of Baroda report strong loan pipelines. *[The Economic Times]*

Bajaj Finserv to up mkt share despite competition, aims to serve every Indian household in 10 yrs-CMD: Bajaj Finserv aims to expand its market share and reach every Indian household within the next decade, leveraging India's economic growth and digital public infrastructure. *[The Economic Times]*

Over-leveraged borrowers put Rs 15,800 crore microfinance portfolio at risk: Microfinance has become a double-edged sword, with substantial debt levels amassing to about ₹15,800 crore among borrowers juggling multiple loans. *[The Economic Times]*



Technology and Innovation

Adani calls for India to build, power, and own AI infrastructure on home soil: Billionaire Gautam Adani said on Monday that energy security and digital infrastructure would define geopolitical power in the coming decades, as he called on India to build sovereign capabilities across the artificial intelligence value chain. *[Business Line]*

AI to robotics-The growing convergence trend reshaping technology: Much like consumers buy vehicles or furniture based on their needs, technology works best when clever combinations are applied with context. There is so much emphasis on artificial intelligence (AI) that people tend to forget that no technology is an island. *[Business Standard]*

Digital access, cyber security challenges in DPI ecosystem-CEA V. Nageswaran: India's digital public infrastructure has reached global standards. However, challenges persist in ensuring everyone can access digital services. Issues like data governance, system compatibility across states, and cybersecurity require ongoing attention. *[The Economic Times]*

Clocking out-IT giants pivot to fixed and outcome-based pricing, driven by growing use of AI tools: India's IT giants, including Infosys and Cognizant, are moving towards fixed-price and outcome-based contracts, driven by AI automation. This shift signifies a departure from traditional time-and-material billing, promising better profitability and efficiency. *[Mint]*



Industrial Infrastructure, Clusters and SEZs

India's power sector set for up to 6% CAGR on multi-vector capex upcycle-Citi: India's power sector is positioned for a sustained growth trajectory with a medium-term forecast set at a 5-6 per cent CAGR, supported by the convergence of electrification, data centres, cooling loads, and manufacturing sectors. *[Business Line]*

With Chabahar Port in limbo, can India still reach Central Asia and Russia?: India's crucial trade route to Russia and Central Asia is at a critical juncture. US sanctions on Iran's Chabahar port create uncertainty for India's role. India is exploring options to maintain its presence. This development impacts the International North-South Transport Corridor. *[The Economic Times]*

How will Bharat Maritime Insurance Pool help India tackle shipping risks?: The Bharat Maritime Insurance Pool aims to ensure uninterrupted maritime insurance cover for Indian-linked vessels and cargo. *[Mint]*

Govt revises BOT guidelines, allows big funds to bid for highway projects: The ministry has allowed sovereign wealth funds, infrastructure funds and pension funds, and private equity to bid for BOT projects under the public-private-partnership (PPP) model. *[Business Line]*

Odisha rolls out CGD Policy 2026, expects investments worth over ₹5,100 cr: Odisha's new CGD Policy aims to accelerate PNG and CNG infrastructure rollout across all districts through faster approvals and investment incentives. *[Business Standard]*

Centre allows big funds to bid for BOT highway projects: India's Ministry of Road Transport and Highways is opening build-operate-transfer road projects to large institutional investors. This policy shift aims to boost private participation in highway development. The government has eased eligibility rules to attract more investment. *[The Economic Times]*



Sustainable Industrialisation

PM Modi's EV push lifts industry confidence, but policy gaps persist: India's EV industry sees stronger momentum after Prime Minister Narendra Modi renewed his push for electric mobility amid rising sales and infrastructure growth. *[Business Standard]*

Power, renewable energy ministries to discuss green power curbs and grid penalties: Renewable energy and power ministries will convene Wednesday to address industry concerns regarding the deviation settlement mechanism and curtailment of green power. *[The Economic Times]*

Siam divided over Delhi's proposed ban on CNG-powered three-wheelers: The Society of Indian Automobile Manufacturers (Siam) may seek more time from the Delhi government to respond to its draft electric vehicle (EV) policy as member companies remain divided over the proposal to stop registrations of CNG-powered three-wheelers from January 1, 2027, allowing only electric three-wheelers thereafter. *[Business Standard]*

Govt mulls incentives to boost floating solar panel installation: India plans incentives for floating solar panels to spread renewable energy across the country. This aims to avoid concentration in a few states. The nation envisions significant renewable energy capacity and battery storage by 2050. *[The Economic Times]*

India's renewable energy industry calls for state-specific bids: Smart meters are a solution to many issues in the power sector and the use of its data should be made compulsory so that the ACS-ARR gap of discoms can be reduced further, Mishra said. *[Business Standard]*

India should treble clean energy target by 2030, says Amitabh Kant: India should sharply raise its clean energy ambition from the current target of 500 GW to 1,500 GW by 2030 to secure energy independence and emerge as a global green energy hub, former G20 Sherpa Amitabh Kant said on Monday. *[Business Standard]*



Sectoral News

India's mining sector can create 25 million jobs by 2047: The report "Mining 5.0 - Emerging Mining Technologies by 2030" states that India's mining industry is undergoing a "structural transition" due to rising mineral demand. *[Business Line]*

Fertilizer squeeze-Why soaring import costs are a policy tightrope for India: With urea prices up 81% and the kharif season looming, New Delhi must balance a ballooning subsidy bill against the urgent need to secure 50% of its remaining fertilizer requirements from a volatile global market. *[Mint]*

India's policy push to boost aerospace manufacturing-Thales: Global aerospace and defence technology major Thales said the proposed policy support for aero components manufacturing, rising defence expenditure and expansion of aviation infrastructure will strengthen India's manufacturing ecosystem. *[Business Line]*

ELV rules make auto sector non-compliant, FY26 scrap target missed by 70%: The rule requires manufacturers to scrap ELVs sold in the domestic market 20 and 15 years back for private and commercial vehicles, respectively to get the EPR certificate. *[Business Standard]*

Electronics exports among top 3 items from India, to grow more in future-Vaishnav: Electronics exports emerged among the top three exported goods from India last year and it will grow more in the future, Ashwini Vaishnav, Minister of Electronics and Information Technology, said here on Monday. *[Business Line]*

India's next pharma leap will be built on smarter global regulations: India's pharmaceutical sector is entering a defining phase in its evolution. For decades, the country has been recognised globally for its scale, reliability and quality in supplying medicines to the world. *[Business Standard]*

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