ISID Institute for Studies in Industrial Development
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Policy Research to Foster India's Industrial Transformation

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Industry Matters

Weekly Updates July 10, 2026

Economy, Industry and Policy

16th FC breaks with precedent, leaves out statewise GSDP projections: Unlike its three predecessors, the Sixteenth Finance Commission has not published state-wise GSDP projections for 2026-31, citing the absence of revenue deficit grants. *[Business Standard]*

The IIP and India's industrial growth story: At the end of June, India's National Statistical Office released figures on the Index of Industrial Production (IIP) for the month of May. The headlines were reassuring. Month-on-month annual industrial growth had recovered from a low of 3 per cent in March to 4.9 per cent in April and 5.1 per cent in May 2026. *[Business Line]*

Government Clears ₹1,238cr for 5 ITI Clusters; Rolls Out PM-SETU Scheme Nationwide: The Ministry of Skill Development approved ₹1,237.58 crore for ITI cluster upgradation. This strategic investment will modernise five industrial training institutes across three states. The Pradhan Mantri Skilling and Employability Transformation scheme is now rolling out nationwide. *[The Economic Times]*

Govt extends additional investment choices under NPS to autonomous bodies: The government has extended additional National Pension System investment choices. These options are now available to employees of central autonomous bodies. Aggressive Life Cycle Fund LC-75-High offers up to seventy-five percent equity exposure. *[The Economic Times]*

From tax portal to digital public infrastructure-GSTN's nine-year transformation: Explore GSTN's evolution from a tax portal to a vital digital public infrastructure, revolutionising compliance and governance in India. *[Business Line]*

Reform Express-India's economy is fast being transformed but we have a long journey ahead: Indian reforms will deliver the goods once the country's culture of governance changes in ways that enable India to reach its destination. Given the challenges, reformist policy moves alone are unlikely to move the needle beyond a point. *[Mint]*

Falling oil prices give RBI more room to focus on growth, but relief uneven across Asia-Standard Chartered: Falling crude oil prices are providing a significant boost to India and other Asian nations, allowing central banks to prioritize economic growth. This "disinflationary relief" eases pressure on external accounts, especially for heavy energy importers like India, Thailand, and the Philippines. *[The Economic Times]*

Aluminium industry divided over removing custom duties for scraps and finished products: India's aluminium industry is split over import duties. Primary producers, represented by the Aluminium Association of India (AAI), want stricter controls on aluminium scrap imports and quality regulations, arguing that rising imports of allegedly substandard scrap could threaten more than ₹3 lakh crore of planned investments. *[The Economic Times]*

France pitches processing partnership for India's rare earth ambitions: French official says India should invest in rare earth processing and refining before domestic mines start production, while expanding technology, financing and research partnerships. *[Business Standard]*

Women-focused cash transfers reshaping household finances-PM-EAC paper: PM-EAC working paper finds women-centric cash transfer schemes in Maharashtra & Odisha increased savings, spending and household financial resilience while strengthening women's control over finances. *[Business Standard]*

Statistics ministry expert panel seeks uniform energy data standards: The panel has recommended common end-use categories, conversion factors and product classifications to harmonise India's energy statistics and improve policy analysis. *[Business Standard]*

India's energy stress test-How agile policy kept the economy moving: That was no small achievement. India imports nearly 90 per cent of its crude oil and around 60 per cent of its LPG, much of it normally arriving from the Gulf. *[Business Standard]*

India Inc's import dependence remains stable despite global supply risks-BoB: Import dependence remains concentrated in a few sectors, while chemicals, consumer durables, electricals and capital goods have reduced their reliance on imports. *[Business Line]*

CAFE-2 penalties-Bailing out carmakers is against national interest, say industry veterans: This decision could also prompt foreign automakers to import or assemble more gas-guzzling vehicles in India, rather than producing fuel-efficient or low-emission models. *[Business Line]*

Industry leaders back E20 rollout, say years of testing found no concerns: Industry experts defended India's E20 rollout, saying the ethanol blending programme followed years of testing and consultations, with no major concerns found by automakers and research bodies. *[Business Standard]*

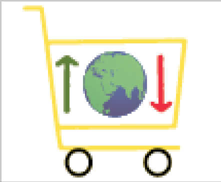
Economic resilience amidst external shocks: Measures to increase diversity, reduce vulnerabilities and protect growth have sustained the Indian economy in these volatile times. *[Business Line]*

Foreign Investment

Report proposes 'India-Plus Contribution Scorecard' to boost FDI: A new report suggests an 'India-Plus Contribution Scorecard' for foreign investment. This framework would rate investors on economic contributions like exports and technology. Companies scoring above seventy would receive a ninety-day single-window clearance. National security screening will remain a stringent requirement for all foreign investments. *[The Economic Times]*

BITs-Credibility comes at a price for attracting foreign investment: The economics community has woken up to the errors of our ways on bilateral investment treaties (BITs). In essence, it's efficient for the Indian state to pay out a chunk of money every year in exchange for stabilising very large sums of money involved in foreign direct investment. *[Business Standard]*

FDI inflows to India increased by 44% to $39 billion in 2025-UN: India's foreign direct investment increased by forty-four percent to USD thirty-nine billion in 2025. Global foreign direct investment showed resilience, rising six percent to USD one point six trillion. Developed economies saw inflows increase eleven percent, while developing economies rose two percent. *[The Economic Times]*



Trade Policy and Competitiveness

India-UK trade pact set to spur growth in both nations-UKIBC chief: There is already "euphoria" within industry over the possibilities opened up by the India-UK free trade agreement, and economic growth for both countries is an inevitable outcome of the pact coming into force this month, according to an industry expert. *[Business Standard]*

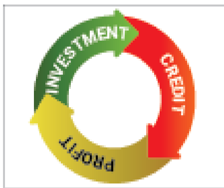
Modi-Takaichi summit-Japan agrees to upgrade CEPA with India: Japan has agreed to upgrade its Comprehensive Economic Partnership (CEPA) with India, ending its ambivalence on India's demand for a review of the 15-year-old pact. *[Financial Express]*

ASEAN seeks deeper tariff cuts as India pushes FTA review to narrow trade deficit: Commerce Department in consultations with industry to identify products where tariffs can be reduced with no pain to domestic producers. *[Business Line]*

India and Russia set $50 billion investment target by 2030: India and Russia are targeting $50 billion in mutual investments by 2030, focusing on joint ventures in advanced manufacturing, critical minerals, and green technology. A recent meeting in Moscow saw both nations agreeing to encourage private sector exploration and collaboration. India highlighted its cost-effective skilled workforce and investment-friendly reforms, while the "Making in Russia for India" model was also promoted to boost bilateral industrial ties. *[The Economic Times]*

FTAs to help boost leather, footwear exports reach $14 billion by 2030-CLE: Council for Leather Exports (CLE) Chairman Ramesh Kumar Juneja said that they are eagerly waiting for a trade pact with the US, as it is India's largest export destination. *[Business Standard]*

Finance Ministry notifies rules for determination of origin of goods under India-UK trade pact: India's Finance Ministry has notified rules for determining the origin of goods under the India-UK CETA, effective July 15, 2026. This agreement grants duty-free access for 99% of Indian exports to the UK, boosting sectors like textiles and engineering. *[The Economic Times]*



Corporate Governance

Reliance Industries gets Sebi warning over employee trades during UPSI period: Sebi issued an administrative warning to Reliance Industries after finding two employees and a relative traded while possessing unpublished price-sensitive information. The regulator flagged compliance lapses, but imposed no financial or operational restrictions, with Reliance promising corrective measures to strengthen monitoring. *[The Economic Times]*

Udaan set to sign recapitalisation deal this week as stakeholders back balance sheet overhaul: According to sources, the transaction is expected to significantly strengthen the company's balance sheet while resolving complexities arising from its existing debt structure. *[Business Line]*

Odisha signs pact with Japanese co, ACME Group for Rs 67,000-cr investment: Odisha has inked a significant Memorandum of Cooperation with ACME Group and Japan's IHI Corporation, committing an investment of Rs 67,000 crore for green industrialization and technology transfer. This collaboration aims to establish a massive green hydrogen ecosystem in the state, building on recent large-scale investments. *[The Economic Times]*

Centre weighs SEZ, GCC pilots to boost PM Internship Scheme: The corporate affairs ministry is actively seeking to boost participation in the PM Internship Scheme. New measures include pilot projects with SEZs, global capability centres, and SMEs, alongside allowing state governments to nominate companies. The government is also expanding eligible sectors and considering firms without CSR obligations to address lower-than-expected engagement and high dropout rates observed in earlier phases. *[The Economic Times]*

MSMEs and Start-ups

Centre plans to zero in on about 500 districts to boost MSME exports: The Centre plans a district-level export push covering 500 districts, with dedicated MSME support, quality labs, certification aid and logistics subsidies. *[Business Standard]*

Startups focus on in-house manufacturing to exercise quality control, build competitive edge: D2C startups are bringing manufacturing in-house to gain greater control over product quality and inventory levels. Founders say owning factories enables faster product innovation, shorter lead times, higher margins and reduced dependence on third-party manufacturers. *[Mint]*

Biz loans to entrepreneurs outpace entity credit growth-TransUnion CIBIL: Business-purpose loans to individual entrepreneurs grew faster than credit to commercial entities between 2023 and 2026, signalling a shift in MSME financing, says TransUnion CIBIL. *[Business Standard]*

ECLGS 5.0 crosses 4.11 lakh guarantees, extends Rs 1.55 lakh crore support to firms hit by West Asia crisis: The Emergency Credit Line Guarantee Scheme 5.0 has issued over 4.11 lakh guarantees. These guarantees amount to more than Rs 1.55 lakh crore for affected businesses. Micro, small, and medium enterprises received the vast majority of these guarantees. *[The Economic Times]*

EV logistics startup TOCAL raises Rs 9 cr to drive EV fleet, fulfillment expansion: TOCAL, a tech-driven EV fleet and fulfillment platform, has secured Rs 9 crore in funding led by XB Group. This investment will fuel expansion into new cities and the establishment of fulfillment centers. *[The Economic Times]*

Employment and Industrial Relations

Women-owned businesses employ more women-ASUSE 2025 data released by NSO: NSO's ASUSE 2025 shows cities with more women-owned informal businesses also have higher female employment, with manufacturing and services driving greater participation. *[Business Standard]*

Centre notifies 3 rules under VB-G RAM G Act for MGNREGS transition: The Centre has notified rules to transition from MGNREGS to the VB-G RAM G Act, covering wage payments, liabilities and funding norms for the new rural jobs scheme. *[Business Standard]*

India's youth unemployment problem is real. But it's bigger than India: India's youth unemployment remains high but the problem extends far beyond India. Here's why young people worldwide are struggling to find jobs. *[Financial Express]*

Industrial Finance

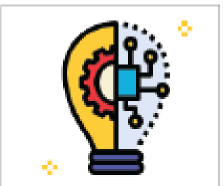
Powergrid secures 80 billion yen green loan from JBIC for HVDC project: The funding from the Japan Bank for International Cooperation will support Powergrid's Khavda-Nagpur HVDC transmission project to evacuate renewable energy from Gujarat. *[Business Standard]*

IIFCL raises ₹1,848 crore via NCDs to fund infrastructure projects: The issue attracted an overwhelming response from investors, attracting bids worth ₹3,048 crore, representing nearly 6 times the base issue size of ₹500 crore. *[Business Standard]*

Govt's collateral-free export credit scheme finds limited takers: Only 140 exporters have registered for collateral-free export credit under EPM since January, highlighting weak uptake of the MSME-focused guarantee scheme. *[Business Standard]*

Private banks write off nearly half of NPAs in FY26, outpace PSBs: Private banks significantly reduced bad loans by writing off nearly half of their exposure. This cleansing effort primarily targeted unsecured microfinance and consumer credit segments. Public sector banks wrote off a smaller portion of their substantial bad loan portfolio. Overall, the banking sector wrote off over Rs 1.28 lakh crore in bad loans. *[The Economic Times]*

SBI seeks priority sector status for all infra loans to boost investment: State Bank of India has proposed granting priority sector status to all infrastructure loans or excluding them from ANBC calculations to encourage higher infrastructure investment. *[Business Standard]*



Technology and Innovation

BEML ramps up R&D spending by 150% to drive indigenous innovation: BEML is ramping up R&D to develop indigenous technologies across rail, defence and mobility, targeting 35-40 new products and stronger aerospace capabilities. *[Business Standard]*

Govt grants Meta three more days to explain WhatsApp username rollout: The Indian government has extended Meta's deadline to July 9 for responding to concerns over WhatsApp's proposed usernames feature amid privacy and security risks, with further action possible based on the reply. Meta paused the rollout while consultations continue. *[Financial Express]*

AI expected to unlock up to 35% in profitability for Indian MSMEs; Nearly 60% to achieve double-digit revenue growth: Artificial intelligence integration promises significant profit improvements for Indian MSMEs. Digital adoption helps nearly sixty percent of these businesses achieve double-digit revenue growth. Expanded market access and improved customer acquisition are key benefits reported by MSMEs. *[The Economic Times]*

Industrial Infrastructure, Clusters and SEZs

Tata Power Renewable commissions 100.8 MW wind project in Maharashtra: Tata Power Renewable Energy Ltd (TPREL) on Friday said it has successfully commissioned its 100.8 MW Jewali Wind Project in Dharashiv district, Maharashtra. *[Business Standard]*

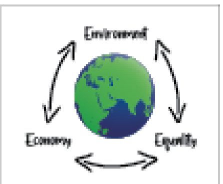
Danish shipping giant Maersk charts course for India-built vessels: Danish shipping giant AP Moller-Maersk is looking at vessels built in India and is in talks with multiple shipyards to build container vessels with capacities of about 3,000 twenty-foot equivalent units (TEUs), a senior executive said. *[Business Standard]*

Tata Power to set up new solar manufacturing facility in Odisha; sees renewables driving next phase of growth: Tata Power will announce a new solar manufacturing project in Odisha in the coming months as it steps up investments across the clean energy value chain, chairman N. Chandrasekaran said at the company's annual general meeting on Tuesday. *[Business Line]*

IRB Infrastructure Trust to transfer two BOT Highway assets with enterprise value of Rs 4,605 crore: IRB Infrastructure Developers announced a significant deal where its sponsored platforms will transfer two BOT highway assets, Solapur Yedeshi and Chittorgarh Gulabpura, to IRB InvIT Fund for Rs 4,605 crore. This strategic move reinforces IRB's position as a leading sponsor and O&M platform, propelling its ambition to build a substantial asset base in the coming years. *[The Economic Times]*

India's power sector enters "value chain" reset led by transmission, storage and demand growth: India's power sector is undergoing a overhaul, with transmission infrastructure and energy storage identified as key drivers for the next decade. Projections show installed capacity soaring to 900GW by FY32, supported by continued coal use and a surge in renewables. *[The Economic Times]*

Adani Ports, JSW Infra in focus-Nomura forecasts upto 16% EBITDA surge on container boom: The Indian Ports and logistics sector is steering into the first quarter of the fiscal year 2027 with a robust growth trajectory, led by industry heavyweights Adani Ports & Special Economic Zone and JSW Infrastructure. *[Financial Express]*



Sustainable Industrialisation

India cuts solar panel imports, but China's grip stays firm: India is rapidly expanding its solar power capacity, becoming the second largest market globally. Despite progress in module manufacturing, heavy reliance on Chinese solar cells and wafers remains a challenge for supply chain diversification and indigenisation. *[Financial Express]*

India's EV penetration tops 12% for first time in June, led by e2Ws: India's EV market crossed 12 per cent of overall vehicle retail sales for the first time in June, driven by record electric two-wheeler sales and broad-based growth across segments. *[Business Standard]*

India's Rs 8 lakh-cr green hydrogen push-3 companies moving from plans to projects: India's ₹8 lakh crore green hydrogen push is moving from policy to execution. As electrolyzer manufacturing, infrastructure, and long-term projects gather pace, these three companies are positioning themselves to capitalize on the emerging opportunity. *[Financial Express]*

India's rising solar penetration is causing power grid stress-EAC-PM paper: India's rapid solar expansion is increasing grid stress as storage capacity lags, creating challenges in managing demand swings and renewable output. *[Business Standard]*

India-origin battery tech powers Offgrid's first UK manufacturing facility: Offgrid Energy Labs has launched its first UK pilot manufacturing facility for its India-developed ZincGel® long-duration batteries. The 10 MWh plant marks the commercial scale-up of the company's proprietary zinc-bromine technology. *[The Economic Times]*

Sectoral News

Can urban mining reduce India's dependence on overseas critical minerals?: As India pushes to recover critical minerals from waste, experts say recycling can strengthen supply security. But can it cut reliance on imports and overseas mining? *[Business Standard]*

The next phase of India's cooperative renaissance for inclusive growth: With institutional reforms in place, India's cooperative sector can drive community-owned manufacturing, rural jobs and inclusive growth on the path to Viksit Bharat. *[Business Standard]*

Rs 7.9 lakh crore power boom-Why India's power transmission sector is a massive investment opportunity: India is set for a massive boom in power transmission and distribution investment, driven by rising demand, renewable energy expansion, and global equipment export opportunities, with Rs 7.9 lakh crore forecasted by FY36. *[Financial Express]*

From $68 billion to $199 billion by FY30-How GCCs are contributing to Indian economic growth: India's Global Capability Centres (GCCs) sector is booming, projected to grow to $155–199 billion by FY30 with major job creation and strategic roles in IT, finance, AI, and engineering. *[Financial Express]*

Centre scraps auction of 9 critical mineral blocks citing poor investor response: It also reflects the challenge of drawing private investment into riskier mineral assets, where technical complexities, higher capital costs and regulatory uncertainties tend to dampen bidding interest. *[Business Line]*

India's auto component sector grows 12.7% in FY26, but imports outpace exports –ACMA: India's auto component industry saw strong growth in FY26, driven by OEM supplies and aftermarket expansion. Exports increased by five percent, while imports rose thirteen percent, widening the trade deficit. Supplies to the electric vehicle segment accounted for a notable portion of OEM sales. *[The Economic Times]*

Auto companies may soon get to trade BEE credits for easier fuel-efficiency compliance: The power ministry has introduced a new credit trading system aimed at Corporate Average Fuel Efficiency standards. Under this initiative, manufacturers can trade excess compliance credits and purchase them from the Bureau of Energy Efficiency. The framework includes credit and debit accounting, allowing manufacturers who surpass targets to earn credits, while those who don't accumulate debits. *[The Economic Times]*

FM Sitharaman asks toy makers to aim for a quarter of global market by 2032: Finance Minister Nirmala Sitharaman urged the Indian toy industry to target a quarter of the global toy market, citing government support and quality measures to boost manufacturing and exports. *[Business Standard]*

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