ISID Institute for Studies in Industrial Development
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Industry Matters

Weekly Updates **August 14, 2026**

Economy, Industry and Policy

RBI MPC Policy-Repo rate unchanged at 5.25%; neutral stance continues: The RBI's rate-setting Monetary Policy Committee (MPC) on Wednesday kept the benchmark repo rate as well as the policy stance unchanged. These decisions were widely anticipated by the market players. *[Business Line]*

Nirmala Sitharaman calls on multilateral banks to lay BRICS for private infra investment: Finance Minister Nirmala Sitharaman emphasized the challenges faced by BRICS nations in mobilizing private capital. She urged multilateral institutions to draw investors into infrastructure projects, as India needs ample private investments alongside its public capital. *[The Economic Times]*

PSBs target nearly $30 billion under RBI's concessional forex swap window: State-owned banks are targeting nearly $30 billion through foreign currency deposits and borrowings under the RBI's concessional swap window as inflows remain robust. *[Business Standard]*

India's 43 mn rural enterprises can lift jobs, incomes with support: The report also finds that hired-worker enterprises are more likely to have owners with higher educational attainment and access to formal bank accounts and computers. *[Business Standard]*

India rejects US lawmaker's criticism of proposed FCRA Bill amendments: India has rejected criticism from US Congressman Riley Moore of the proposed amendments to the Foreign Contribution (Regulation) Amendment (FCRA) Bill, asserting that the country's legislative decisions are an internal matter and noting that several nations, including the US, also regulate the flow of foreign funding. *[Business Line]*

Reforms for higher growth-India must capitalise on international trade: India needs faster tariff cuts, deeper trade integration and stronger investment treaties to boost exports, attract FDI and sustain the high growth needed to become a developed economy. *[Business Standard]*

Government proposes easier tax rules for offshore funds managed from India: The proposed reforms simplify investment rules, strengthen tax certainty and seek to attract more overseas fund managers and foreign capital. *[Business Line]*

Jefferies says FCNR-B inflows may hit $100 bn, 18% credit growth may shield Indian economy: India could remain resilient despite rising global bond yields and US fiscal pressures, with healthy domestic demand and stronger foreign investment providing support- Know how. *[Financial Express]*

Disinvestment, asset monetisation fetch govt ₹45,306 cr in FY26; exceeds RE target: The Centre's combined receipts from PSU disinvestment and public asset monetisation surpassed the ₹33,837-crore revised estimate for 2025-26. *[Business Line]*

Prosperity-The visible hand of leadership in driving sustained growth: Economic theories explain growth through capital, technology and institutions, but leadership may be the missing force that turns sound policies into sustained prosperity. *[Business Standard]*

We ducked more basic reforms because of success of 1991 talks-N K Singh: N K Singh recalls the circumstances under which India liberalised its economy. He discusses how India can negotiate a highly uncertain world now, while retaining its growth momentum. *[Business Standard]*

MDR in future only on some merchant UPI transactions-FM Sitharaman: No MDR framework has yet been finalised, Sitharaman said. She added that consumers would continue to make instant digital payments through UPI without paying a transaction charge. *[Business Standard]*

What MMDR Bill 2026 means for states, miners, mineral-bearing land: The MMDR Amendment Bill, 2026 seeks greater government control over mineral-bearing land and tighter rules for state taxes, cesses and other mining-related levies. *[Business Standard]*

FCRA Amendment Bill 2026 referred to joint parliamentary committee for review: The government has initiated a proposal to refer the Foreign Contribution (Regulation) Amendment Bill, 2026 to a Joint Committee of Parliament. This significant bill will engage thirty-one members from the Lok Sabha and Rajya Sabha, tasked with scrutinizing its contents and offering recommendations, with a report expected by the Winter Session of 2026. *[The Economic Times]*

Foreign Investment

FDI threshold for CCEA approval to be raised to Rs 15,000 crore: To boost ease of doing business and speed up long-term capital inflows, the Indian government proposes tripling the CCEA clearance limit for foreign direct investment from ₹5,000 crore to ₹15,000 crore. *[Financial Express]*

Govt reviewing bilateral investment treaty model to make BITs accommodating: The proposed overhaul seeks to make India's investment treaty regime more investor-friendly while retaining sovereign safeguards and advancing negotiations with key partners. *[Business Standard]*

New foreign investment rule looms over AIFs, foreign investors: A new regulation threatens alternative investment funds' established structures. These funds have relied on Indian ownership for sponsor and manager control. The draft rules suggest foreign investor funding could now determine control status. This change may impact investments in restricted sectors like real estate. *[The Economic Times]*

Govt considering proposal to ease FDI norms for downstream investments: The government is considering a proposal to ease foreign direct investment (FDI) norms for downstream investments to boost overseas fund inflows and create jobs, sources said. *[Business Line]*

India amends FDI rules to boost e-commerce for small businesses, artisans, farmers, and fishermen-Union Minister Piyush Goyal: India has amended foreign direct investment regulations to boost e-commerce trade. These changes will help small businesses, artisans, farmers, and fishermen access wider markets. BRICS ministers discussed enhancing trade, investment, and industrial cooperation among member nations. *[The Economic Times]*

India approves just 1 Chinese FDI proposal worth ₹1 cr, 13 Hong Kong proposals worth ₹610.42 cr: These approvals are crucial, as investments from countries sharing a land border with India have required prior government approval since April 2020 under DPIIT's Press Note 3. *[Business Line]*

Trade Policy and Competitiveness

Exim matters-Buyer's failure to pay should not undo export tax rebates: Export tax remissions should not be recovered when genuine foreign buyers default, as the goods have already left India and the underlying duties and taxes have been borne. *[Business Standard]*

Terms of trade pact with S Africa union likely this week: India and the five-nation South African Customs Union (SACU) are expected to sign the Terms of Agreement (ToR) for the proposed Preferential Trade Agreement (PTA) on Wednesday, sources said. *[Financial Express]*

Exports on a slippery road amid tariff scare: Another round of tariffs on exports to the United States could become a reality with the US Senate passing a legislation empowering President Donald Trump to impose additional tariffs of up to 100% if India continues buying Russian crude oil. *[Financial Express]*

Government notifies rules for inventory-based cross-border e-commerce exports: The move follows the government's decision to allow e-commerce companies with foreign investment to maintain inventory in India exclusively for export purposes. *[Business Line]*

Adoption of IP protection, FTA utilisation key to exporters' success: For exporters, the most valuable assets should not be limited to factories or inventories alone, said the joint report by Trade Promotion Council of India and RNA Technology and IP Attorneys. *[Business Line]*

Textile exports could take a hit despite gains in UK and European markets: Buying agents said India has already captured 5-10 per cent of UK apparel orders that earlier went to Bangladesh, driven by the recent free trade agreement. *[Business Standard]*

Corporate Governance

Holding companies of most family-owned business groups already listed: While many equity investors await the listing of Tata Sons, the country's biggest and most diversified holding company, most family-owned business groups already have one or more holding companies listed on the bourses. And many of these companies own significant equity stakes in their respective group's key operating companies. *[Business Standard]*

Hindustan Copper plans to sell Chile mine output to Hindalco, Adani: State-run Hindustan Copper plans to sell copper concentrate produced by mines it is acquiring from Chile's Codelco to Hindalco and Adani, aiming to meet India's growing appetite for the red metal, two sources familiar with the matter said. *[Business Standard]*

Biz compliances major friction point for firms, stakeholders tell panel: A parliamentary panel has flagged India's heavy compliance burden, saying overlapping rules and approvals continue to raise business costs despite deregulation efforts. *[Business Standard]*

Parliamentary panel urges govt to examine feasibility of permitting CSR contributions in kind: A Parliamentary panel has recommended to the government to examine the feasibility of permitting CSR contributions in kind through an appropriate statutory or regulatory framework. It has supported increasing the threshold of profit to ₹10 crore for CSR, which would benefit Micro, Small and Medium Enterprises (MSME). *[Business Line]*

NaBFID, IIFCL, NIIF merger plan stuck amid inter-departmental reluctance: A proposal to bring three major infrastructure financing institutions under common management remains stalled despite overlapping mandates, similar government backing and growing capital needs. *[Business Standard]*

MSMEs and Start-ups

MSME rules next month, focus on global value chains: The MSME ministry is set to announce new regulations for small businesses next month. These amendments focus on improving invoice financing through the Trade Receivables Discounting System, ultimately aiming to bolster cost efficiency and global competitiveness. *[The Economic Times]*

MSMED amendment Bill seeks to fix late payments, ease biz for small firms: The MSMED Amendment Bill seeks faster payments, online dispute resolution and easier recovery of dues, but industry bodies flag concerns over TReDS access and implementation. *[Business Standard]*

Rajya Sabha passes MSME Amendment Bill, 2026 to tackle delayed payments: The proposed reforms aim to improve cash flow, strengthen legal protections and accelerate payment settlements for micro, small and medium enterprises. *[Business Line]*

MSMEs are backbone of India's economy: It is essential that the benefits of various schemes launched by the Central and State governments to reach at the grassroots level, stated Dilip Swami, Managing Director, Maharashtra State Seeds Corporation. *[Business Line]*

D2C startups turn to qcom platforms for festive launches: D2C startups across food, beverages, fashion and electronics are using quick commerce as a launch and discovery channel, with festive-season demand driving new products and wider assortments. *[Business Standard]*

Employment and Industrial Relations

Women account for less than a third of PM-VBRY first-time employees: Of the 9.99 million first-time employees enrolled under PM-VBRY, 2.85 million were women and 7.14 million were men, according to data presented in the Lok Sabha. *[Business Standard]*

Unemployment rate rises to 4-quarter high of 5.4% in Q1: India's unemployment rate for people aged 15 years and above rose to a four-quarter high of 5.4% in April-June 2026, with joblessness rising in both rural and urban areas, data released by the Ministry of Statistics and Programme Implementation on Monday showed. *[Financial Express]*

No AI skills gap assessment; 47.6% of PMKVY's AI candidates certified-Govt: The Centre has not conducted any specific assessment of the demand for artificial intelligence (AI)-related skills or the gap in trained just 47.6 per cent of candidates enrolled in AI-related job roles under its workers, even as flagship skilling scheme had been certified as of June 30, 2026. *[Business Standard]*

Govt says youth unemployment rate declined to 9.9% in 2025 from 10.9% in 2022: The government said in the Lok Sabha that the estimated unemployment rate among youth aged 15-29 years declined to 9.9% in 2025 from 10.9% in 2022. *[Business Line]*

Rural jobs fall in VB-G RAM-G's first month, Centre cites sowing pause: July persondays fell sharply from MGNREGA levels, but the Centre cites sowing pauses, monsoon recovery and transition issues, while experts say one month is too early to judge. *[Business Standard]*

Industrial Finance

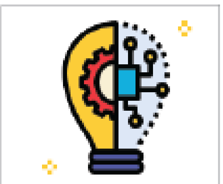
India needs to double infra investments to Rs 40 lakh cr/year to achieve growth ambitions-NaBFID MD: India must double infrastructure investments to forty lakh crore rupees annually. This significant scaling up is crucial for achieving long-term economic growth ambitions. Manufacturing capital expenditure also requires substantial and continuous investment for sustainable growth. Growing domestic long-term savings will increasingly finance infrastructure and other long-duration assets. *[The Economic Times]*

First set of VC fund managers for ₹1 trillion RDI fund to be out soon: The government is set to announce the first cohort of nearly 20 VC firms selected to manage investments under the ₹1 trillion Research, Development & Innovation Fund. *[Business Standard]*

AI in banking must move beyond retail to farms, MSMEs: SBI Chairman Setty: In a recent statement, CS Setty, Chairman of the State Bank of India, underscored AI's transformative potential for the Indian banking sector. He asserted that widening credit opportunities for small businesses and farmers through AI is essential to realize India's ambition of a developed economy by 2047. *[The Economic Times]*

Ola Electric secures revised ACC PLI timeline, eyes ₹7,240 cr in incentives: Ola Electric said the Ministry of Heavy Industries (MHI) has approved the revised timeline, which allows the company to receive PLI incentives on a quarterly basis, beginning next quarter. *[Business Standard]*

Microfinance loan disbursements above ₹1 lakh jump 89.8%; smaller loans decline: The shift towards higher-value loans comes as lenders seek stronger borrower profiles and tighter risk management following stress in the sector. *[Business Line]*



Technology and Innovation

Govt-Meta talks turn technical; company outlines measures to curb deepfakes: The Centre asked Meta to strengthen action against deepfakes, CSAM and unlabeled AI content, with regular follow-ups planned to monitor compliance with Indian laws. *[Business Standard]*

LTTS launches AgenticIQ to move enterprise AI from pilots to production: The platform is designed to help engineering and manufacturing firms move autonomous AI agents from pilots to production while keeping data and intellectual property within enterprise controls. *[Business Standard]*

AI is transforming tech, but its wider revolution is still delayed: Over the past three years, the business of artificial intelligence (AI) has come to dominate the tech sector. To an extent, it has reshaped financial flows, as the see-sawing of South Korea’s stock market shows. Last year, investment in AI infrastructure accounted for almost the entirety of economic growth in the United States (US). *[Business Standard]*

AI evolving as core intelligence layer in India's fintech transformation-ASSOCHAM-KPMG: A joint knowledge paper by ASSOCHAM and KPMG explores how India's fintech ecosystem along with AI is evolving from a tool for automation and analytics into a strategic capability. *[Business Line]*

Industrial Infrastructure, Clusters and SEZs

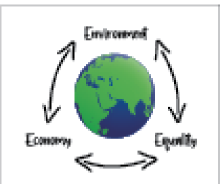
IFC to invest ₹225 crore in NDR Smart Spaces for warehousing expansion: The International Finance Corporation (IFC) on Monday announced an equity investment of Rs 225 crore (around USD 23 million) in NDR Smart Spaces. *[Business Standard]*

India's data centre capacity surges over four-fold-A 1,575 MW backbone for 'AI and digital India': Data centre operators are also adopting direct-to-chip liquid cooling, adiabatic cooling, immersion cooling and closed-loop liquid cooling, alongside high-density racks, to manage AI workloads while reducing electricity and water consumption. *[Financial Express]*

Exports from SEZs up 11.8% in 2025-26-Govt: Exports from these zones in 2024-25 amounted to ₹14,63,669 crore ($173.07 billion), as stated by Minister Jitin Prasada in a Lok Sabha reply. *[Business Line]*

Cabinet note in the works to end forex rule for SEZ services: A proposal to amend the SEZ Act could boost MRO, defence, engineering and IT services by allowing INR payments for services to domestic clients. *[Business Line]*

No policy bars airport operators from owning airlines-Central Government: The government on Monday clarified in Parliament that there is no policy restricting operators of major airports from holding substantial equity in or operating scheduled airlines, but acknowledged that contractual restrictions in some public-private partnership (PPP) airport agreements can prevent such cross-ownership. *[Business Line]*



Sustainable Industrialisation

Indofast Energy, GLIDA join hands to expand battery-swapping network: The collaboration aims to set up 50 sites with over 100 swapping stations over the next 12 months, with the setting up of 10 quick interchange stations across GLIDA sites in Chennai, Bengaluru and Hyderabad. *[Business Line]*

India's energy transition may create new import dependence on critical minerals-CII-EY: Critical minerals such as lithium, nickel, cobalt, silicon and rare earth elements will become increasingly important for the clean-energy transition. *[Business Line]*

Residential rooftop solar installations cross 16,300 daily under PM Surya Ghar scheme-Pralhad Joshi: The Minister for New & Renewable Energy, Pralhad Joshi, said on Thursday that residential rooftop solar power installations have risen from just 5,000 per day in October last year to more than 16,300 daily under the PM Surya Ghar: Muft Bijli Yojna (PMSG: MBY). *[Business Line]*

Solar powers non-fossil capacity past 300 GW: India's non-fossil power capacity has crossed 300 GW, reaching 60% of its 500-GW target for 2030. Solar leads with 164.59 GW, while non-fossil sources now account for more than 54% of the country's total installed generation capacity. *[The Economic Times]*

Govt extends PM E-DRIVE subsidy for e2Ws till FY28, allocates ₹1K cr more: Additional funding will extend incentives for electric two-wheelers until March 2028 as the government seeks to raise e2W penetration from the current 7.6 per cent to 9-10 per cent. *[Business Standard]*

Sectoral News

Uttar Pradesh Semiconductor Policy, 2024-Key features, incentives: The policy seeks to attract projects across semiconductor fabrication, compound semiconductors, silicon photonics, sensors, discrete semiconductors and assembly, testing, marking and packaging. *[Business Standard]*

Build strategic fertiliser reserves to address external shocks-Panel: A parliamentary standing committee has urged the Indian government to formulate a contingency plan and establish strategic fertiliser reserves ahead of cropping seasons. *[Financial Express]*

EMC 2.0 scheme-Rs 3,000 crore electronics manufacturing cluster approved for Chhattisgarh, 9,000 jobs expected: EMC 2.0 scheme The focus on semiconductors, electric vehicles and smart electronics also aligns the Rajnandgaon cluster with some of the fastest-growing segments of India's technology and manufacturing economy. *[Financial Express]*

Textile minister urges footwear industry to leverage govt initiatives, enhance innovation: The textile minister encourages the sector to focus on innovation, design excellence, quality manufacturing and value addition to meet evolving global demand. *[Business Line]*

Policy reforms speed up coal block operationalisation-Coal Secretary: The recent policy reforms in India's coal sector have streamlined captive and commercial operations by reducing the operationalisation timelines for fully and partially explored blocks, Coal Secretary Vikram Dev Dutt has said. *[Business line]*

Airtel Business, ITI partner to provide digital solutions to enterprises: Bharti Airtel's B2B arm Airtel Business and telecom public sector company ITI Ltd have collaborated to sell digital solutions to enterprises, a joint statement said on Monday. *[Business Standard]*

Not an adjunct to the pharma industry'-Medical device representatives seek separate regulatory authority: In their letter to the Union Health Minister JP Nadda, they said, medical devices continue to be seen as "an adjunct to pharmaceuticals", despite scientific, engineering and regulatory distinctions between the two. *[Business Line]*

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