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Industry Matters

Weekly Updates

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Economy, Industry and Policy

RBI MPC member Nagesh Kumar tells ABP Live why India's 7.8% Q1 growth amid the West Asia crisis reflects strong macro management, a manufacturing revival and FTA gains.: RBI MPC member Nagesh Kumar tells ABP Live why India's 7.8% Q1 growth amid the West Asia crisis reflects strong macro management, a manufacturing revival and FTA gains. *[abplive]*

Strengthening petrochemical backbone: India must strengthen its petrochemical industry to reduce import dependence, boost economic growth, and build strategic resilience amid growing global competition and rising domestic demand. Strategic industrial policy and investment are crucial. *[Financial Express]*

Fruits of reforms are often reaped by later governments-Shankar Acharya: The economic reforms rolled out in the 13-year period between 1991 and 2004 laid the foundation for the strong economic growth India later experienced until 2014, signifying the lag with which many reforms often deliver results, says Shankar Acharya, former Chief Economic Adviser (CEA) to the government. *[Business Standard]*

New GDP series reflects better data, methods-MoSPI: The Ministry of Statistics and Programme Implementation defends its new GDP series methodology. Double deflation is presented as a methodological improvement for better value addition measurement. Revisions reflect improved data sources and structural changes in the Indian economy. New data sources and administrative datasets are continuously incorporated for better estimates. *[The Economic Times]*

GCCs are India's next big economic engine — 2,100 hubs, $98 billion revenue and a big AI ambition: GCC exports as a proportion of India's total services exports have risen from 19.7% in 2019 to 23.5% in 2026, underscoring their growing criticality in supporting India's services export engine. *[Financial Express]*

Policy must balance innovation with accountability, resilience-RBI Deputy Guv Rohit Jain: RBI Deputy Governor Rohit Jain emphasized the importance of policy in promoting innovation responsibly. He highlighted the need for clear guidelines and opportunities for experimentation to fuel growth. Regulators should engage at the grassroots level to better comprehend emerging technologies. *[The Economic Times]*

FM Nirmala Sitharaman, IMF deputy MD discuss growth, economic shifts; The discussions covered India-IMF relations, the country's evolving growth trajectory, and the implications of shifts in the global economic environment, including India's trade agenda and developments in the global trading system, including recently concluded bilateral trade agreements. *[The Economic Times]*

India's data centre boom may add just 0.13% to GDP by 2030-Moody's: Despite billions of dollars in announced data centre investments, India's GDP gains may remain limited by 2030 as high import dependence curbs domestic value addition and job creation. *[Business Standard]*

Private firms' capex rises 7% to ₹30.3 trillion in FY25, shows govt data: In FY24, they had made a capital expenditure of ₹28.3 trillion, showing an annual growth of 2.65%, as per the detailed Gross Fixed Capital Formation figures for FY25 released by the ministry. *[Business Standard]*

$136-billion inflow puts RBI in driver's seat on rupee: The Reserve Bank of India's (RBI) measures to attract foreign currency inflows have delivered stronger-than-expected results, mobilising $136 billion. But with the impact on the rupee modest so far, market attention is now shifting to how the central bank manages the currency amid a large forward position and persistent global risks. *[Financial Express]*

Forex reserves hit record $740.8 billion following strong FCNR (B) inflows: India's foreign exchange reserves hit a new peak of $740.8 billion in late August, driven by RBI's special FCNR(B) deposit scheme and substantial foreign currency asset growth despite gold reserve declines. *[Financial Express]*

India extends e-bus, e-truck motor localisation deadline amid China's REPM restrictions: In a significant development regarding the import of rare earth magnets from China, the Centre has extended the manufacturing of traction motors for electric buses (e-Buses or M2/M3 category) and e-Trucks (N2/N3) under the Prime Minister Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE) Scheme. *[Business Line]*

Productivity to drive 35% of India's future manufacturing output-KPMG: The report said these companies achieved more than 50% higher profitability growth and twice the market-cap expansion compared with peers. *[Business Line]*

Govt urges industry to lead ₹60K cr PM-SETU initiative to drive energy, industrial transformation: The government has urged industry to take a leading role in transforming the country's skilling landscape through the ambitious ₹60,000 crore PM-SETU initiative to drive India's energy and industrial transformation. *[Business Line]*

Foreign Investment

Govt mulls FDI liberalisation to bring more crops under plantation sector: India has received $295.23 million FDI in tea and coffee (processing and warehousing coffee), and $3.93 billion in rubber goods during April 2000 and March 2026. *[Business Standard]*

India's FDI paradox-Record gross inflows run into investor exits: India just had its strongest quarter for foreign investments in 15 years. Gross foreign direct investment (FDI) hit $30.66 billion in April-June, edging past the previous high of $29.53 billion set in July-September 2020. Yet despite this surge in gross inflows, the capital that actually stayed back in the economy — net FDI — failed to keep pace. *[Business Standard]*

Centre may expand scope of FDI in more commercial crops; horticulture & processed foods in focus: The government is considering expanding the scope of foreign direct investment (FDI) in plantations by opening up more sectors for foreign investors as it seeks to leverage free trade agreements (FTAs) to bring global technology, better planting material and modern farm practices into high-value agriculture. *[Financial Express]*

Fin Min notifies norms allowing e-commerce firms to maintain inventory only for exports: New FEMA rules allow FDI-backed e-commerce firms to hold and sell Indian-origin goods for export, while inventory-based domestic B2C sales remain restricted. *[Business Line]*

Trade Policy and Competitiveness

FTAs-The gulf between market access and market success: Last Thursday, our commerce minister, addressing a meeting on 'Leveraging Free Trade Agreements (FTAs)', called for a nationwide effort to maximise their utilisation and ensure that the benefits of enhanced market access reach businesses across the country. *[Business Standard]*

Interest limited, govt to review ₹25,000-crore export promotion schemes: The government is set to review the over ₹25,000 crore Export Promotion Mission (EPM) rolled out in February 2026 after finding that exporters showed substantial interest only in two out of its 11 schemes, three persons aware of the development said. *[Business Standard]*

UK recognises India's carbon credit trading scheme, relief for Indian exporters: The United Kingdom will recognize India's carbon credit trading scheme. This recognition will help Indian exporters avoid double taxation on goods. British importers can now seek carbon price relief under the UK's mechanism. *[The Economic Times]*

India's carbon credit scheme gets UK nod-What it means for exporters: The UK has recognised India's carbon credit scheme under its CBAM rules, which could reduce the carbon tax burden on Indian exporters of steel and cement. *[Business Standard]*

India-US tech ties widen-6G alliance, semiconductors, AI on the table at G20: See how India's G20 talks with the US expanded tech cooperation on 6G, semiconductors, AI, data centres and space partnerships. *[Financial Express]*

Govt mandates manual verification of imported drugs and medical devices due to SWIFT 2.0 system gap: Customs officers must now manually check import documents for healthcare products. This manual verification applies even to facilitated imports cleared by the risk system. The Central Board of Indirect Taxes and Customs issued this directive on September third. *[The Economic Times]*

India may tie further FDI relief for China to movement on LAC disputes: Ahead of Xi's proposed meeting with Modi on the sidelines of BRICS Summit, sources hint that deeper investment access for Chinese firms may hinge on border progress. *[Business Line]*

Corporate Governance

"Unbecoming of trustee"-Tata Trusts comment, says Vijay Singh; Tata Trusts say the charity commissioner said so: The charity commissioner's dismissal of a Tata Sons share transfer probe included sharp criticism of trustee Vijay Singh's conduct—a remark Singh attributes to the Trusts' own filing, while the organization insists it originated from the regulator. *[Mint]*

HCLTech to invest Rs 185 crore to set up semiconductor lab in Bengaluru: HCLTech will invest Rs 185 crore in a Bengaluru semiconductor lab to boost R&D and production qualification; read the key details. *[Financial Express]*

India Inc shakes off war worries as business confidence jumps in Q2: Indian business confidence strengthened in Q2FY27, with CII's index rising to 66 from 60.8. Companies are increasingly optimistic about domestic demand, capacity utilisation and hiring, with 53% planning to expand their workforce, even as global trade and commodity-price risks persist. *[The Economic Times]*

Expect a crackdown on HR practices that violate antitrust laws-the labour market needs competition too: While businesses brace for a clamp down on no-poach deals and wage fixing, the Competition Commission of India (CCI) should proactively guide them. Employers must comply with the basic requirements of a healthy labour market. *[Mint]*

MSMEs and Start-ups

Fintechs race to deploy AI agents, but revenue payoff remains elusive: Paytm, Pine Labs, Razorpay, Cashfree and Juspay are deploying AI agents across merchant and internal workflows, but monetisation remains nascent as most offerings are still being tested. *[Business Standard]*

From MSMEs to traditional industries, Rajasthan's enterprises seek stronger ecosystem to scale: Rajasthan, a diversified economy with a strong presence in agriculture, mining, and tourism sectors, has built an expansive policy framework to attract investment and support industries, MSMEs (micro, small, and medium enterprises), and start-ups, but infrastructure gaps. *[The Economic Times]*

Statsguru-Gaps in funding space despite India's growing startup ecosystem: Prime Minister Narendra Modi recently met the chief executives and founders of 20 Indian space startups in New Delhi to discuss transforming India into a global hub for technology in this sector. Nineteen space tech startup and firms were set up in 2019; this figure rose to 45 in 2024. *[Business Standard]*

Finmin secures $1 billion IFC funding for MSMEs; $500 million already released to Sidbi: India secured one billion dollars from the International Finance Corporation for banks. This funding will provide long-term credit to small businesses and financial institutions. The facility will address a key gap by offering loans of up to seven years. *[The Economic Times]*

BRICS Summit may consider invoice-discounting mechanism to ease MSME funding crunch: BRICS member countries could take forward a proposal to create an invoice-discounting mechanism for small businesses, along with a broader package on global value chains and digital trade, at the upcoming leaders' summit in New Delhi. *[Business Line]*

India's GDP can hit double-digit growth if MSMEs grow by 10%-Rajiv Talreja, Founder, Quantum Leap: The collaboration seeks to redefine how Indian MSME leaders leverage business PCs, empowering them to overcome technological bottlenecks to focus entirely on sustainable enterprise growth. *[The Economic Times]*

Employment and Industrial Relations

Work demand under VB G RAM G stages smart recovery in August after July dip: Work demand rose 4.4 per cent year-on-year to 12.4 million households in August, even as kharif sowing continued amid below-normal southwest monsoon rainfall. *[Business Standard]*

India's wealth story needs a chapter on retirement: India's ageing population makes retirement planning an urgent financial priority, with NPS emerging as a broader retirement tool beyond government employees. *[Business Standard]*

Real rural wages down 8.9% in April-July: The delayed monsoon impacted kharif sowing and consumer sentiment, causing a 1.5% decline in India's average wage rate in July and a sharp fall in real rural wages by 8.9% over three months. *[Financial Express]*

AI Can Lift Pay 62% Globally. In India, It Could Double Starting Salaries: AI skills can lift pay 62% globally and double India starting salaries; learn how AI fluency is reshaping roles and wage premiums. *[Financial Express]*

Industrial Finance

India Inc's ECB, FCCB borrowing intent rises to $7.7 billion in July: Indian companies filed proposals to raise $7.70 billion through ECBs and FCCBs in July, up from $6.09 billion in June, with NBFCs among prominent borrowers. *[Business Standard]*

The expanding InvIT universe: ₹20 trillion asset base targeted beyond roads and telecom: India's infrastructure investment trusts plan to diversify beyond roads, tapping into power, logistics and digital sectors to reach ₹20 trillion in assets by 2030. This transformation signals a significant shift in infrastructure financing as more operational assets become available for investment. *[Mint]*

Fairfax plans IIFL Finance exit to fund IDBI Bank bid: Fairfax Financial Holdings plans to exit IIFL Finance to fund its IDBI Bank acquisition. The investor will use proceeds to part-fund the proposed takeover of the state-owned lender. Fairfax intends to merge CSB Bank with IDBI Bank after completing the acquisition. *[The Economic Times]*

Technology and Innovation

India joins US-led global initiative to shape next-generation 6G networks: India has joined twenty-four nations in a global initiative for 6G network development. This agreement was finalized following a bilateral meeting between US and Indian officials. The G20 Innovation Ministerial meeting was hosted by the United States Department of Commerce. *[The Economic Times]*

Who will win the AI race? Goldman Sachs sees $7.6 trillion battle beyond Big Tech: The race to lead in AI hinges on more than technology, involving capital, infrastructure, data, and real economy integration. Goldman Sachs highlights a shift toward industrial and physical AI applications shaping the future. *[Financial Express]*

DoT set to drop data plan for taxing mobile data use: The department of telecommunications is unlikely to implement a mobile data tax due to technical challenges and concerns over its impact on data usage and digital economy growth, officials say. *[Financial Express]*

Time to plug chip design gap as Semicon 2.0 seeks to boost startups: A new scheme seeks to encourage startups to step up their semiconductor designing business. Some provisions are a bit challenging. *[Business Standard]*

UPI data can help bring informal sector into formal credit-NITI's Lahiri: NITI Aayog's Ashok Lahiri said transaction data generated through UPI could improve credit appraisal and risk pricing, helping bring MSMEs into the formal lending system. *[Business Standard]*

Industrial Infrastructure, Clusters and SEZs

Paradip Port achieves major milestone, berths first capesize vessel with 16.5-Meter Draft: Paradip Port Authority has berthed MV Mineral Kwangyang, its first Capesize vessel with a 16.5-metre draft, carrying 152,702 MT of coking coal from Australia. The milestone highlights the port's deep-draft handling capabilities as Paradip expands infrastructure and mechanisation, with Rs 1,580.36 crore worth of projects aimed at boosting capacity and efficiency. *[The Economic Times]*

Torrent Green Energy commissions 322 MWp decentralised solar projects: Torrent Power on Tuesday said its arm, Torrent Green Energy, has commissioned 322 MWp decentralised solar projects in Maharashtra under the Mukhyamantri Saur Krushi Vahini Yojana (MSKVY) 2.0. *[Business Line]*

GE Vernova T&D India emerges L1 bidder for 6,000 MW Power Grid project: GE Vernova T&D India is the lowest bidder for a 6,000 MW HVDC renewable-energy transmission project by Power Grid Corporation, set to build converter stations for clean power transfer in India. The final contract is pending. *[Financial Express]*

Solar, battery storage and $1 billion-Inside Madhya Pradesh's new ADB-backed energy push: The policy framework aims for renewable resources to meet 50% of Madhya Pradesh's electricity demand by 2030. *[Financial Express]*

India's new supply-chain wonder is set to shift the gears of growth: The operationalization of India's freight corridors marks a transformative step for the nation's logistics landscape, strategically positioned along major economic routes. These advanced routes not only expedite transport times but also elevate reliability for businesses, fostering better supply chain management with reduced costs. *[The Economic Times]*

Corrosion costs India's infrastructure ₹1.42 lakh crore a year: Corrosion costs India's infrastructure sector an estimated ₹1.42 lakh crore each year. Better prevention measures could save approximately ₹49,580 crore annually. The report suggests implementing corrosion-protection requirements based on environmental exposure. *[The Economic Times]*

Adani Airports to raise $1 billion from investors for 5.54% stake: Adani Airport Holdings Limited secures ₹9,825 crore investment from top global investors to expand airport infrastructure, enhance passenger experience, and develop integrated airport city ecosystems. *[Financial Express]*

Sustainable Industrialisation

India's battery industry to generate up to 2 mn jobs by FY30-Adecco India: The industry could create 1.5-2 mn jobs by 2030, with about 25 per cent direct jobs and 75 per cent indirect jobs, with hiring expected to grow by 25-30 per cent annually, according to Adecco India. *[Business Standard]*

Brookfield's ₹2500 crore Bikaner renewable energy portfolio acquisition-Inox Clean Energy, Purvah Green Power lead race: Inox Clean Energy and Purvah Green Power are leading contenders for Brookfield's Bikaner renewable energy portfolio. This 550 MW asset, supplying clean power to commercial clients, is valued at approximately ₹2500 crore. *[The Economic Times]*

Uttar Pradesh Green Hydrogen Policy, 2024-Key features, incentives, eligibility and implementation: The policy is a state framework for promoting the production, storage, transport and use of green hydrogen and green ammonia. *[Business Standard]*

Goenka Group's Purvah Green Power to acquire Welspun New Energy for ₹2,500 cr: Purvah Green Power is set to acquire Welspun New Energy for approximately ₹2,500 crore. This acquisition will provide Purvah access to Welspun's renewable energy development pipeline. Purvah aims to build a 10 GW green power portfolio through various projects. *[The Economic Times]*

Govt offers 50% funding capped at Rs 2 crore to replace fossil fuels with solar heat in industry: The Ministry of New and Renewable Energy is inviting proposals for solar thermal technology. Financial support up to fifty percent is available for industrial process heating applications. This initiative aims to reduce fossil fuel consumption across various sectors. *[The Economic Times]*

Sectoral News

Minda Corp targets ₹1,500 cr export, eyes growth in electric vehicles: The auto-component maker expects global growth to be led by instrument clusters, wiring harnesses, EV components and electronics as it increases four-wheeler penetration. *[Business Standard]*

Auto-component sector outlook improves as earnings momentum strengthens: Jefferies: India's auto-component sector could see continued earnings momentum as improving profit growth and a better consensus earnings outlook provide support to the industry, even as valuations have moved above their long-term averages, Jefferies said in a report. *[Business Line]*

Centre may provide 100% funding support for medical testing equipment, says Piyush Goyal: The government will fully fund the acquisition of advanced medical testing equipment. Domestic firms are encouraged to seek technology partnerships and joint ventures. India aims to become a global hub for medical innovation and device development. *[The Economic Times]*

Pharma sector must attract more investment in clinical trials, R&D-Piyush Goyal: Piyush Goyal emphasized the importance of enhancing India's pharmaceutical industry to draw in more investments. He urged for the creation of robust supply chains to avoid reliance on a single country. The minister also championed the idea of bolstering research and development, securing patents for Indian innovations, and promoting alignment with global regulatory standards. *[The Economic Times]*

Textile sector to become UP's new industrial strength-CM Adityanath: Inaugurating the UP Textile Conclave in Lucknow on Tuesday, Uttar Pradesh Chief Minister Yogi Adityanath said the textile industry would become the state's new industrial strength. *[Business Standard]*

DoT clears the decks for satellite broadband services in India: The Digital Communication Commission (DCC), the highest decision-making body in the Department of Telecommunications (DoT), has approved several recommendations offered by the Telecom Regulatory Authority of India (Trai) on satellite spectrum allocation, clearing the decks for satellite broadband players like Eutelsat Oneweb, Elon Musk's Starlink, and Jio Satellite to offer services in India. *[Business Standard]*

Mining dependence, rising borrowings hit Chhattisgarh's fiscal health: An NCAER study flags Chhattisgarh's reliance on volatile mining revenue, rising subsidies and widening deficits, warning that its debt-to-GSDP ratio could climb further. *[Business Standard]*

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