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Industry Matters

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Economy, Industry and Policy

Reforms on the cards-GST Council likely to shun mid-year rate changes: Officials expect the rate structure to be reviewed only once a year henceforth, and any changes will take effect from April 1, not in the middle of the financial year. *[Business Standard]*

India must surpass global quality benchmarks to win larger global share; trust remains 'important challenge'-Venu Srinivasan: He further noted that India's ambition of becoming a developed economy by 2047 cannot be built solely on cost competitiveness and will require greater emphasis on "innovation, product, design. *[Business Line]*

Finmin asks pvt banks to increase participation in govt's financial inclusion schemes: The Finance Ministry on Tuesday asked private sector banks to step up participation in financial inclusion schemes, including PMMY and Stand Up India. Financial Services Secretary Sanjay Lohiya urged banks to support the upcoming saturation campaign, expand digital outreach, improve loan processing, strengthen insurance claim awareness and address grievances. *[The Economic Times]*

Policy Dialogue-RBI builds financial market platform to debate and discuss: The Reserve Bank of India is forming a Financial Market Consultative Committee for better engagement with market participants. This committee aims to address policy and operational matters related to financial markets. It will include discussions on the money market, government securities, and foreign exchange markets. *[The Economic Times]*

RBI policy rate hike to immediately pinch retail customers: The RBI has raised the repo rate by 25 basis points to 5.50%, its first hike since February 2023, which could make floating-rate home, car and personal loans more expensive. Borrowers on repo-linked loans may face higher EMIs or longer tenures at their next reset, while fixed-rate loans will remain unaffected. *[The Economic Times]*

35 years of liberalisation-The making of India's regulatory state: India's transition from a predominantly controlled economy to a market economy is often described in the language of liberalisation, privatisation, and globalisation. But a market economy requires more than the withdrawal of the state from resource allocation. *[Business Standard]*

India's SDGs-The data that's visible is easy to track but it's not what ultimately matters: Businesses, governments and citizens all have duties that they must perform well if we are to change people's lives for the better in India. Expenditure figures and outlay sizes may look impressive, but these alone tell us little. Here's what we should pay attention to. *[Mint]*

Banking for Viksit Bharat: India is celebrating a clean-up of the banking system. The 4R framework — Recognition, Resolution, Recapitalisation and Reforms — under which this clean-up was undertaken was unfortunately weak on reforms and on holding those responsible accountable. *[Business Standard]*

India's growth momentum holds, but inflation and weak industrial activity weigh, says BCG report: BCG's September monitor points to a less even expansion, with strong investment and services offsetting softer manufacturing, consumer sentiment and parts of demand. *[Mint]*

DEA Secy bats for greater macro stability to attract global capital: Economic Affairs Secretary Anuradha Thakur highlighted how India's fiscal consolidation, multi-decadal low bank NPAs, and price stability enhance investor confidence amid rising global capital costs. *[Financial Express]*

Private investment picking up in India as capital formation grows at fastest pace in over three years: India attracted record gross FDI of USD 97 billion in FY26, while first-quarter inflows in the current financial year reached about USD 30 billion. *[Business Line]*

Next-gen GST and India's next phase of growth: India's ambition to become a Viksit Bharat requires an economy in which enterprises of every size can grow, wherever they begin. Over the past 12 years, our government has worked to create those conditions. GST's introduction in 2017 established a common national framework for indirect taxation. *[Business Line]*

GST 2.0 reforms-GST Council set to ease input-tax credit norms, drop arrest powers: The second-generation Goods and Services Tax (GST) reforms, launched a year ago with sweeping rate cuts across a wide range of goods and taxpayers, are now set to enter a broader phase focused on overhauling the tax system's processes and administration. *[Financial Express]*

FCNR inflows cushion rupee, BoP; FII flows crucial for sustained external stability: Foreign currency non-resident inflows have significantly bolstered rupee stability and India's balance of payments. However, the current support from these inflows may not suffice for long-term external stability. Foreign institutional investor flows are crucial for maintaining economic balance as the support from FCNR is absorbed. *[The Economic Times]*

A test for forward guidance in monetary policy: The Monetary Policy Committee (MPC) meetings in the first week of every second month pose difficulties because information sets are rarely up-to-date. On October 5 when the MPC meets, it must also reckon with the 'noise' emerging from the geopolitical and geoeconomic ecosystem. *[Business Line]*

RBI hikes repo rate to 5.50%, shifts stance to calibrated tightening: The Reserve Bank of India raises repo rate by 25 basis points to 5.50%, signaling a calibrated tightening stance amid rising inflation and economic growth forecasts for FY27 and FY28. *[Financial Express]*

RBI changes stance to 'calibrated tightening'-Here's what it means: The RBI's new calibrated tightening stance signals that further rate hikes remain possible as the central bank responds to inflation and economic risks. *[Business Standard]*

GST credit reforms may unlock Rs 60,000-cr for industry: The GST Council's decision to broaden tax credit and refund windows could unlock Rs 50,000-60,000 crore annually for industries, enhancing working capital and investment across key sectors from April 2027. *[Financial Express]*



Foreign Investment

Gross FDI hits 15-year high, net FDI at five-year peak in Q1 FY27: Repatriation by foreign investors accounted for 44 per cent of gross FDI, while foreign exchange equal to another 31 per cent moved out as Indian companies invested abroad. *[Business Standard]*

Global bond yields put emerging markets on edge, but India's FDI pull stays strong-DEA Secretary Anuradha Thakur: Rising global bond yields and surging capital demand from the AI investment cycle could increase funding pressures for emerging markets, Economic Affairs Secretary Anuradha Thakur said. Despite the global squeeze, India remains an attractive investment destination, with record FDI inflows reflecting confidence in its macroeconomic stability, reforms and long-term growth prospects. *[The Economic Times]*

US deal could spur further liberalisation: India's economic growth remains strong, with foreign direct investment continuing to show promising figures. Arvind Panagariya emphasizes the need for deeper trade liberalization, increased privatization, and judicial reforms. He highlights the importance of attracting long-term productive investments, especially from private equity. *[The Economic Times]*



Trade Policy and Competitiveness

New bilateral investment treaty framework to get Cabinet nod soon-FM Sitharaman: The revised framework comes as India seeks to strengthen investment relations and address key issues surrounding tariffs and trade imbalances. *[Business Line]*

India's trade deals can boost jobs, attract investment-Commerce Secy Rajesh Agarwal: Commerce Secretary Rajesh Agarwal highlighted India's potential to grow its participation in global value chains. He noted that the current participation rate has increased significantly over the past decade. Agarwal emphasized the importance of free trade agreements with developed economies for facilitating trade and attracting investments. *[The Economic Times]*

India-EU trade deal to boost exports, jobs in labour-intensive sectors-Sitharaman: Highlighting the potential of the India-EU trade agreement, Union Finance Minister Nirmala Sitharaman said the agreement could support employment in labour-intensive sectors such as footwear, textiles, toys and processed products, many of which are linked to micro and small enterprises. *[Business Line]*

Commerce ministry sets up FTA utilisation cell to boost industry awareness, leverage pact benefits: The Department of Commerce has created an FTA utilisation cell to assist businesses in leveraging free trade agreements. Commerce Secretary Rajesh Agarwal stated the cell aims to educate entrepreneurs about emerging opportunities. *[The Economic Times]*

Sanctions and tariffs weaponised as policy tools, says P K Mishra: Mishra says India must remain open while limiting vulnerability, balancing resilience costs with energy security, competitive manufacturing and diversified trade. *[Business Standard]*

G20 discusses curbing excess capacity, dumping hurting fair trade-Goyal: Trade ministers discussed how government-backed overcapacity, predatory pricing and dumping affect manufacturers in India, the US and Europe, alongside reforms to the WTO, Goyal said. *[Business Standard]*

New Fema rules bring small service exporters into the reporting net: On October 1, the RBI updated a Master Direction consolidating various reports/ forms required to be submitted under Fema. *[Business Standard]*

The economics of India's biggest export industry go topsy-turvy: India's $315-billion IT industry faces a structural shift as AI boosts productivity but puts pressure on pricing, revenue and entry-level hiring. Clients are demanding more output for less, while spending shifts towards AI, cloud and in-house capabilities. *[The Economic Times]*



Corporate Governance

Tata Group rift-Govt concerned over public dispute, rules out intervention: The government is closely watching the escalating differences within the Tata group and is "perturbed" that disagreements over governance and leadership are increasingly playing out in public, although it has no plans to intervene. *[Financial Express]*

Corporate agility, stronger governance vital amid changing landscape-VP: Emphasising that trust, transparency and impeccable corporate governance sustain investors' confidence, he cautioned that if their confidence is lost, then progress is never possible. *[Business Standard]*

Nikhil Gupta-What's driving the growth of corporate profits? Here's what the data says: In recent times, household consumption has been a major driver of profits, with the contribution of corporate investment having flagged. Given how indebted households are, we need that order flipped for India's economy to stay on a sustainable high-growth path. *[Mint]*

What's holding back private capital expenditure? The weakness of India's unlisted corporate sector: While the financial position of the listed sector has improved post covid, that of the unlisted sector has worsened. This has constrained overall corporate investment in the Indian economy, given the size of the latter. Here's what the data record shows. *[Mint]*

Pension savings may get bigger infrastructure play as PFRDA explores direct project exposure: The government is seeking to channel more pension savings into India's long-term infrastructure needs, with PFRDA chairman S Ramann saying the regulator is exploring additional avenues, including direct exposure to large projects. *[The Economic Times]*

Adani Power and Bhutan's state owned power corporaton to develop 770-megawatt hydropower project: Adani Power and Druk Green Power Corporation have signed an agreement to develop the 770-megawatt Chamkharchhu-I Hydroelectric Project. Construction is expected to begin in the first half of 2027 and commissioning will follow six years later. *[The Economic Times]*

RBI told Tata Sons to find lawful course, not to list-SDTT trustees: Tata Trusts reiterate that RBI did not mandate Tata Sons listing, saying the regulator only asked the group to find a lawful alternative to retain its unlisted status. *[Business Standard]*



MSMEs and Start-ups

Startup Policy Forum unveils DeepVerse to boost India's deep-tech ecosystem: The new centre brings together founders, investors, government, academia and global technology companies to shape policy, research and ecosystem initiatives. *[Business Standard]*

Cabinet approves Rs 10,000 crore SME Growth Fund for small and medium enterprises: The Union Cabinet approved a Rs 10,000 crore SME Growth Fund to support micro, small, and medium enterprises. This fund is part of the government's initiative to create champion MSMEs in India. *[The Economic Times]*

Digital credit push for micro firms as govt asks banks to step up lending: Banks have been asked to strengthen end-to-end digital lending and widen access to UPI credit lines as the government pushes deeper financial inclusion. *[Business Standard]*

Next-gen GST reforms-Single registration, easier input tax credit among key MSME demands: The 57th GST Council meeting, now slated for October 8, 2026 (Thursday), is likely to consider several proposals aimed at easing the compliance burden for small businesses in the country. *[The Economic Times]*

Indian start-ups being acquired 2X faster as incumbents look to buy capabilities: Beyond acquisitions, IPO timelines have also shortened with the average years from first funding to IPO going down from 14 years to 8.5 years. *[Business Line]*

India's small businesses chase a new dawn amid reforms and financing push: Finance Minister Nirmala Sitharaman in May asked lenders to go beyond the template when serving micro, small and medium enterprises (MSMEs). Lenders were urged to think in terms of specific business verticals' needs and adopt a cashflow-based approach. *[Business Standard]*



Employment and Industrial Relations

Centre expands permissible works under VB-G RAM G by 41% over MGNREGA: The Centre has raised permissible works under VB-G RAM G to 375 from 266 under MGNREGA, adding a dedicated category for extreme weather and disaster preparedness. *[Business Standard]*

PMEGP may get 5-year extension till 2030-31 with Rs 15,000 crore outlay; govt weighs easier norms: The government is considering extending the Prime Minister's Employment Generation Programme until 2030-31 with an estimated Rs 15,000 crore outlay, while easing access for vulnerable, rural and first-time entrepreneurs. *[The Economic Times]*

Job-seeking, working grads' share in labour market at 5-yr low in Sep: India's graduate labour participation rate fell to a five-year low in September as the educated population grew faster than employment, while fewer graduates actively sought jobs. *[Business Standard]*



Industrial Finance

BPCL plans $3 billion bond sale to fund Brazil offshore oil project: Bharat Petroleum Corp. is preparing an international bond sale to raise as much as $3 billion, largely to fund a major oil project in Brazil and refinance debt maturing next year, according to people familiar with the matter. *[Business Line]*

Bajaj Finance plans Rs 11,700 crore QIP; Bajaj Finserv to invest Rs 5,800 crore: Bajaj Finserv's board has approved an investment of up to Rs 5,800 crore in warrants convertible into equity shares of its subsidiary Bajaj Finance. The investment will be made through a preferential allotment on a private placement basis. *[Financial Express]*

Adani outpaces India's biggest business houses in data centre investments: The investments come as India's data-centre capacity is set to surge to 5.65 GW by 2030 owing to demand by AI and cloud firms. *[Mint]*

Private credit loses edge as new funding options open up for companies: In the evolving world of private credit, the availability of high-yielding deals is dwindling, thanks to intensified competition and new regulatory measures. During the first half of 2026, a considerable volume of private credit transactions was listed below the 18% mark. *[The Economic Times]*



Technology and Innovation

AI to help India contribute more to NTT Data's global business: IT infrastructure is a significant business for the company, spanning partnerships with infrastructure providers such as Cisco, Dell, HP, Microsoft, VMware, Red Hat, and, more recently, Nvidia. *[Business Line]*

Centre fortifies India's AI mission with Sovereign Compute Pool amid rising GPU costs: The official said that the government is also preparing further bids for additional computing capacity, as it seeks to build a government-controlled pool of AI compute alongside capacity sourced from private providers. *[Business Line]*

The missing half of India's tech policy: As the government deploys public capital into frontier technologies, its expert investment committees need two improvements to deliver the intended outcomes. *[Business Standard]*

AI agents take over PCs built for humans, forcing operating system rethink: As AI agents gain the ability to access files, control apps and act on behalf of users, Apple and Microsoft are rethinking how operating systems grant and manage permissions to sensitive system data. *[Business Standard]*

India's AI strategy-We should not invest in the whole stack but focus instead on areas of expertise: The artificial intelligence (AI) stack is both complex and expensive. As Indian policymakers try to put India on the global AI map, it would be better for the country to focus on maximizing value where it can instead of spreading resources thin. Here's where to begin. *[Mint]*

Govt asks banks to develop a sector-wide quantum transition along with an AI resilience framework: According to the industry, major concerns in this segment include 'harvest now, decrypt later' threats, where cyber adversaries stockpile encrypted banking data for future quantum decryption. The finance ministry has also asked banks to assess post-quantum vulnerabilities and initiate mitigation measures, said an official, who did not wish to be identified. *[The Economic Times]*



Industrial Infrastructure, Clusters and SEZs

Cabinet approves new authority to enhance R&D across transportation and logistics: The Union Cabinet has approved the creation of an Integrated Transport & Logistics Authority to improve synergy. This new authority aims to enhance planning and evaluation processes across India's transportation sector. It will be responsible for appraising significant infrastructure projects and developing the National Transport Master Plan. *[The Economic Times]*

Data centres emerge as India's new job engine: Hiring is set to rise across construction, engineering, facility management and AI infrastructure roles, though concerns remain over the gap between projected and actual job creation. *[Business Line]*

L&T bags Rs 10,000-15,000 cr power transmission orders across India, Saudi Arabia, UAE: Larsen & Toubro's power transmission & distribution wing has secured multiple domestic and international EPC contracts valued at Rs 10,000-15,000 crore. Under the scope of work, L&T aims to strengthen its PT&D vertical and enable its renewable energy evacuation. *[Financial Express]*

Vedanta Copper plans $2.3 billion capex, Tamil Nadu smelter restart back on agenda: Vedanta Copper announced plans to invest $2.3 billion over three to four years to increase its output. The company aims to produce 500,000 tonnes of copper in India and 500,000 tonnes in Saudi Arabia. Officials are in advanced discussions to potentially restart the Tuticorin smelter, which has been inactive since 2018. *[The Economic Times]*

APSEZ operational performance update shows growth in cargo and logistics performance: Adani Ports and Special Economic Zone Ltd reported that cargo handling rose in September 2026. The company handled 46 million metric tonnes, marking an 11% increase over the previous year. Container cargo contributed to this growth with a 15% year-on-year rise. *[The Economic Times]*



Sustainable Industrialisation

Cement makers step up green energy investments to cut costs, emissions: Cement companies are stepping up investments in green energy as they seek to lower power costs, reduce emissions, and protect margins amid persistent fuel price volatility, with the industry expecting green power capacity to rise sharply over the next two years. *[Business Standard]*

India's wind industry must move beyond turbines to integrated power solutions: GWEC: India's wind energy companies are encouraged to offer integrated solutions that include wind, solar, and battery storage. This shift is crucial as the country aims to reach its 2030 target of 100 GW of wind capacity. Improved policies and auction designs are helping, but coordination between agencies poses challenges. *[The Economic Times]*

UltraTech commissions 116.55-MW wind project; 1st Indian co to hit 2 GW captive green power capacity: UltraTech has become the first Indian company to cross 2 GW of captive green power capacity with a recent commissioning of a 116.55-MW wind energy project in Barmer, Rajasthan. Additionally, the company has added 10 MW of Waste Heat Recovery System capacity at its Karnataka unit. *[The Economic Times]*

India soon to be 3rd largest wind energy player-Govt official: India will soon surpass Germany to become the world's third-largest wind energy producer. The nation is projected to achieve 107 GW capacity by the year 2030. This energy transition involves building a complete industrial ecosystem and creating skilled jobs. India's domestic turbine-making capacity has significantly grown to 24 GW annually. *[The Economic Times]*

India gains ground in cleantech manufacturing as supply chains diversify: Policy support, a large domestic RE market and the global push to diversify supply chains are drawing manufacturing investment to India, though batteries and upstream solar components need to catch up. *[Business Standard]*



Sectoral News

Govt pushes rare-earth magnet capacity, India seeks control over critical manufacturing inputs-Shaktikanta Das: The government is moving to build domestic capacity for rare-earth permanent magnets, which are critical for automobiles, electronic hardware and other manufacturing, Principal Secretary-2 to the Prime Minister Shaktikanta Das said at the Kautilya Economic Conclave 2026. *[Business Line]*

CAFE-III is a progressive roadmap for greener mobility-JSW Motors CEO: The recent notification of CAFE-III norms provides a clear roadmap for new entrants like JSW Motors as it prepares to launch its new energy vehicles in India. *[Business Line]*

Oil ministry plans centralised R&D mechanism to steer projects, funding in oil and gas sector: The oil ministry aims to establish a centralised mechanism for research and development in the oil and gas sector. This approach will align initiatives from state-run companies and other organizations with national priorities. The proposed Centre for High Technology will coordinate R&D project allocation, funding, and monitoring. *[The economic Times]*

Indian companies must invest in R&D, move from generics to innovation-led industry-Pharma leaders: Indian pharmaceutical leaders emphasize the need for investment in innovation to transition from generics to innovative products. They highlight the importance of regulatory reforms and a strong ecosystem for research and development. *[The Economic Times]*

Indian SME pharma firms see shift of orders from China; cost, quality concerns remain: Small and mid-sized Indian pharmaceutical firms are witnessing a shift in orders away from China. As Western buyers diversify their supply chains, India benefits from lower labor costs and local raw materials. However, some industry leaders caution about the heavy reliance on Chinese imports for essential components. *[The Economic Times]*

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