ISID Institute for Studies in Industrial Development
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Industry Matters

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Economy, Industry and Policy

India's Industrial Policy Missteps in Retrospect: Economic reforms have been an ongoing process after the major transformation of our development policy paradigm in July 1991, with a broad consensus in their favour and the belief that our economic performance was getting better as a result. *[The India Forum]*

Need to look at cost of doing business to boost manufacturing; cut statutory liquidity ratio-Amitabh Kant: Amitabh Kant has advocated for reducing the statutory liquidity ratio to promote job-intensive manufacturing in India. He emphasized that cutting SLR could lower the cost of credit for businesses. Kant highlighted the importance of adequate credit in supporting the growth of startups in new-age sectors. *[The Economic Times]*

After FCNR(B) highs, forex kitty shrinks by $51 billion in four weeks: Reserves have lost about $51.1 billion from their September 4 peak as the RBI supports the rupee amid higher crude oil prices; foreign currency assets fell $10.7 billion. *[Business Standard]*

MoSPI releases draft guidelines for GSDP compilation using expenditure approach: The Ministry of Statistics releases draft guidelines to compile Gross State Domestic Product using expenditure data including private consumption, enhancing data accuracy with surveys and administrative sources in India. *[Financial Express]*

Critical mineral stockpile policy likely in a month: The Ministry of Mines is set to unveil a strategic policy within a month to stockpile critical minerals for up to six months. Backed by the National Critical Minerals Mission and four new regional processing parks, the move aims to safeguard India's defence, EV, and tech sectors from global supply disruptions. *[Financial Express]*

Wider tax base, better compliance to drive GST revenue growth: GST process reforms complete the GST 2.0 agenda, focusing on expanding the tax base, improving compliance, and simplifying procedures to boost revenue growth and support business competitiveness. *[Financial Express]*

Good and simple tax-How the GST Council's latest reforms are finally making it a reality: Almost a decade after India adopted the goods and services tax (GST), significant reforms are underway. The procedural changes approved by the GST Council could go a long way towards realizing its economic promise. Here's what will change—and what's pending. *[Mint]*

GST Council reforms address key industry concerns, focus shifts to implementation, says Dept of Revenue official: During the 57th GST Council meeting, significant recommendations were made to address concerns from stakeholders. The government plans to implement these reforms collectively with state administrations to ensure uniformity. *[The Economic Times]*

RBI should widen LAF corridor to stabilise financial markets-SBIt: The SBI report favours an asymmetric widening of the LAF corridor, faster rate action and a shorter deadline for export proceeds as global uncertainty pressures markets. *[Business Standard]*

Cabinet expands disability pension coverage to 27 lakh, raises monthly assistance: The Centre has renamed Indira Gandhi's old-age, widow and disability pension schemes under new Pradhan Mantri schemes, alongside renaming the National Family Benefit Scheme. *[Business Line]*

From reform to results-what global business reforms mean for India: As India enters the World Bank's Business Ready assessment, reforms in France, the European Union and the Philippines offer three lessons: decide fundamental questions early, reduce regulatory fragmentation and give investors long-term certainty. *[Business Line]*

Why IMF's growth upgrade for India doesn't tell the full story: The IMF raised India's 2026–27 GDP growth forecast to 7%, citing sustained domestic momentum. However, rupee depreciation has reduced its nominal dollar GDP, temporarily pushing India to sixth rank globally, behind the UK. *[Mint]*



Foreign Investment

Japan tops India's FDI chart in Q1 FY27 with $5.71 billion inflows: FDI inflows from Japan stood at $5.71 billion in the first quarter of 2026-27, surpassing the $3.74 billion India received from the country during the entire 2025-26 fiscal year. *[Business Standard]*

India draws $351 billion in greenfield FDI, outpaces China: Speaking to ET, Nikolaus Lang, managing director & senior partner at BCG highlighted the Indian market as the biggest draw for investors amid a sweeping global realignment. He, however, stressed on sustained focus on infrastructure development, skilling and cost competitiveness for India to further enhance its manufacturing footprint on a global scale. *[The Economic Times]*

Hyundai Motor to plug $15.5 billion in India's automotive sector: Hyundai Motor Group intends to invest $15.5 billion in India between 2026 and 2032. This investment aims to position India as a key market for the company's growth and expansion. The discussions about this initiative occurred during a meeting with Prime Minister Narendra Modi Ji. *[The Economic Times]*

Repatriation and overseas bets drain India's record gross FDI inflows: Record gross FDI inflows mask rising repatriation and overseas investments, raising questions about how much foreign capital India retains and the strength of domestic demand. *[Business Standard]*

Fairfax snaps up IDBI Bank: The Cabinet approved the sale of a 60.72% stake in IDBI Bank to Fairfax Financial Holdings for Rs 52,878 crore, marking India's largest foreign investment in financial services and advancing strategic disinvestment. *[Financial Express]*



Trade Policy and Competitiveness

Exim Matters-GST reforms overlook exporters' credit plight: Exporters seek a reassessment mechanism or explicit ITC eligibility for IGST paid through ICEGATE challans to regularise AA and EPCG defaults. *[Business Standard]*

India needs open trade, a stronger WTO and a more proactive global role-Experts: India's economic growth necessitates a stronger alignment of domestic priorities with international trade positions and agreements. The discussion highlighted the ongoing importance of the World Trade Organisation in shaping global trade rules. *[The Economic Times]*

India pitching itself as trusted global supply-chain partner-Vaishnaw: The Union minister said cost alone no longer drives supply-chain decisions, with trust, cybersecurity and resilience becoming central to global technology partnerships. *[Business Standard]*

India, Asean put FTA review on fast-track, set targets: India and ASEAN agree to accelerate negotiations on key chapters of their trade agreement to resolve issues and enhance effectiveness, aiming for timely progress ahead of the next 2027 Joint Committee meeting. *[Financial Express]*

MNRE taps Exim Bank to open new markets for solar exporters: With the US imposing steep anti-dumping and countervailing duties on Indian solar cells, MNRE and Exim Bank are stepping up export financing to help Indian renewable manufacturers expand into Europe, Africa, and Latin America. *[Financial Express]*

FTAs to push global carmakers to make in India, says Piyush Goyal: Piyush Goyal says calibrated tariff concessions on car imports under India's trade pacts with the EU and UK will help global automakers assess demand and encourage local manufacturing. *[Business Standard]*

India's export imperative-Here's how we must mitigate trade risks amid global turmoil: As the world becomes a less reliable source of capital, India's export earnings must rise. Although geopolitical uncertainty is beyond the Centre's control, it still has many ways to boost exports. Here's what policymakers should consider. *[Mint]*

India, UK to exchange tariff usage data under trade agreement: The annual data exchange, starting July 2027, aims to help small businesses leverage lower import duties and resolve early operational hurdles following the trade pact's implementation. *[Mint]*



Corporate Governance

Tata Trusts seeks more time to reply; Charity Commissioner grants a week: The Maharashtra Charity Commissioner is learnt to have granted another week to Sir Dorabji Tata Trust (SDTT) to respond to the complaints filed by two trustees regarding governance issues. While SDTT was told to reply by October 12, it sought more time, sources said. *[Business Standard]*

Tata Motors sweetens Iveco offer as key investors hold out: The tender offer has attracted acceptances for just 28.4% of the shares, with less than two weeks remaining to close the Tata Motors-Iveco deal. *[Mint]*

Corporate governance in India remains largely confined to seminars, not boardrooms: Drawing on 14+ years helping companies with governance and compliance, Tuljapurkar shares views on enforcement, board accountability, data protection, AI adoption, and diversity in leadership. *[Business Line]*

Tata's paradoxical succession: Should the Tata Sons board place its trust in a professional with proven credentials? Should the Tata Sons board heed the views of its majority shareholder? The answer depends on the question we ask. And therein lies the seed of the ongoing leadership imbroglio at Tata Sons. *[Business Standard]*



MSMEs and Start-ups

Fisme urges SME Growth Fund aid for MSMEs with SMA-2, NPA loan accounts: Fisme wants the ₹10,000-crore SME Growth Fund to support financially stressed MSMEs with SMA-2 or NPA accounts, provided they have credible plans to revive their businesses. *[Business Standard]*

CEA pitches for MSME-specific approach to NPA classification norms: From a policy perspective, the Finance Ministry backs reviewing the norms, noting MSMEs' varying working-capital needs and cash-flow cycles. *[Business Line]*

Policy reforms, risk capital fuel India's fast-growing space-tech ecosystem: Space-tech funding has surged as policy reforms, government-backed risk capital and access to Isro infrastructure allow private companies to move from development to commercial deployment. *[Business Standard]*

B2B ecom platform Udaan targets IPO by early 2028 as turnaround takes hold: The B2B e-commerce firm expects FY26 revenue to grow 10 to 12 per cent as losses narrow by about 20 per cent, with CEO Vaibhav Gupta targeting profitability by end-2027. *[Business Standard]*



Employment and Industrial Relations

85% of workforce retained across 300 firms resolved under IBC: An IBBI analysis shows the Insolvency and Bankruptcy Code (IBC) protected 85% of jobs during corporate resolutions, proving its role in preserving operational value beyond creditor recovery. *[Financial Express]*

Quarter of India's labour force highly exposed to AI, says report: The higher exposure to AI can have both complementary and substitution effects depending on the job profile with 7.6% of the workforce expected to see increased productivity. *[Business Line]*

India Inc salary hikes set to improve in 2027; NBFCs lead at 10.1%: Non-banking financial companies, energy and real estate are expected to offer the highest salary increases, while employers focus on retaining skilled talent. *[Business Line]*

EPFO steps up drive for retrospective regularisation of exempt status of PF trusts: Provisions for amnesty scheme were introduced as a transitional measure in the Employees' Provident Fund (EPF) Scheme 2026, notified on June 29 this year. *[Business Line]*



Industrial Finance

Bets are on for India's semiconductor space amid growing M&As, investments: Funding, M&As and tech talent are driving global and domestic M&As and tech talent are driving global and domestic backing for startups. *[Business Standard]*

Micro, trading MSMEs need targeted support-Equitas Small Finance Bank MD: Micro enterprises, which account for about 99 per cent of Tamil Nadu's registered MSME units, need greater access to capital and targeted government support, according to P N Vasudevan, Managing Director, Equitas Small Finance Bank. *[Business Line]*

RDI Fund has picked the first cohort of 19 Second Level Fund Managers with investment commitment of ₹7,131 crore The Research, Development and Innovation Fund (RDIF), a flagship initiative of the Government of India, has announced the selection of the first cohort of 19 second level fund managers (SLFMs). *[Business Line]*

From credit access to capital intelligence-The next evolution of MSME finance: The task ahead for lenders, fintechs, and financial institutions serving this segment is not simply to close the credit gap; it is to close it with the right instrument at the right moment. *[The Economic Times]*

Companies shift to bank loans as bond costs rise, driving 81% share of fresh credit-Jefferies: Indian companies are increasingly relying on bank loans as corporate bonds and other borrowing sources become more expensive, with banks accounting for 81% of fresh credit between November 2025 and August 2026, according to Jefferies. *[The Economic Times]*



Technology and Innovation

Amazon eyes Decart acquisition at $7 billion as AI chip race intensifies: The deal would give Amazon software that makes AI models run efficiently across chips, strengthening its challenge to Nvidia as it pushes its own Trainium processors. *[Business Standard]*

AI is powering telecom, not just satellites: While satellite connectivity makes headlines, agentic AI is quietly transforming telecom into intelligent, self-healing networks. *[Business Standard]*

India entering tech transformation era with AI advances-AEC chief: Mohanty, who is also the secretary of the Department of Atomic Energy, was addressing the 36th convocation of the Birla Institute of Technology, Mesra as the chief guest. *[Business Standard]*

TCS bets on governance layer to scale enterprise AI: Tata Consultancy Services (TCS) is building an enterprise AI stack with a governance layer to orchestrate and manage AI agents developed by the company, its clients and third-party technology providers. The move comes as businesses look to scale AI adoption while maintaining control over security, costs and deployment. *[Financial Express]*

AI boost bolstered growth in global trade, benefiting China and India-IMF: The strong demand for AI has bolstered growth in China, India and other Asian countries, outpacing the overall growth in global trade, IMF chief economist Silvana Tenreyro said on Tuesday. Global trade would have grown at a far slower rate without the AI boost. *[Business Line]*

India will be leader in AI diffusion at scale, new jobs will come from small businesses-Nandan Nilekani: In an interaction at Bloomberg New Economy forum 2026 in Delhi on Tuesday, Nilekani said that AI technology cannot be bottled up as there will be thousands of models coming up and it should not be looked at through "disaster marketing" lens. *[The Indian Express]*



Industrial Infrastructure, Clusters and SEZs

Data centres must be seen as strategic infrastructure'-Niti Aayog: Niti Aayog has released a report urging states to consider data centres as strategic infrastructure. The report suggests a structured approach to developing data centres sustainably. It highlights the need for common standards and guidance from the central government to support growth. *[The Economic Times]*

India eyes 3,000-km power corridor to Singapore for 2,000 MW clean-energy trade: India is exploring a 3,000-km land-based transmission corridor to Singapore with capacity to carry 2,000 MW of clean electricity, opening a potential new route for cross-border power trade connecting South and Southeast Asia. *[Financial Express]*

India's battery energy storage sector set for 91% growth to 302GWh by FY32E-Nuvama: India's Battery Energy Storage System (BESS) sector is projected to register a compound annual growth rate (CAGR) of 91 per cent between FY26 and FY32E, according to a recent report by Nuvama. *[Business Line]*

PM GatiShakti completes 5 years, next phase focuses on multimodal connectivity-Piyush Goyal: Union Commerce and Industry Minister Piyush Goyal on Tuesday said the PM GatiShakti National Master Plan would continue to support multimodal connectivity, faster infrastructure development and greater logistics efficiency as the initiative completed five years. *[The Economic Times]*

Kandla Port courts global hydrogen firms for green-fuel, shipping projects: The Kandla Forum 2026, hosted by Deendayal Port Authority, brought together over 200 professionals from the clean-energy sector, both globally and locally, to foster investments in green fuel and innovative technologies. *[The Economic Times]*

Tata Power announces ₹15,000 crore Mumbai grid expansion plan to meet rising AI demand: Tata Power is implementing its ₹15,000 crore plan expand its transmission network in Mumbai and is intended to support the increasing energy requirements of hyperscalers and data centres. The company plans to enhance its existing 110 kV and 220 kV networks while developing new receiving stations. *[The Economic Times]*



Sustainable Industrialisation

Saatvik Green Energy bags Rs 100 crore order to supply 5,000 solar pumps in Maharashtra: Saatvik Green Energy has received a Rs 100 crore order from MSEDCL to supply and install 5,000 solar water pumps for Maharashtra farmers under the PM KUSUM B Scheme with a 60-day deadline. *[Financial Express]*

India Inc switches to captive green power to cut costs, grid reliance: Indian companies are increasingly turning to captive green power, setting up or tying up with renewable energy projects to secure electricity supplies, hedge against grid dependence and meet decarbonisation targets. *[Financial Express]*

Finance ministry flags slow bank loan processing, low private lender participation in ₹75,000 crore rooftop solar scheme: The government wants to accelerate financing for the scheme to make households less dependent on conventional sources of electricity. *[Mint]*

Asian countries, including India, must accelerate transition to renewable energy: Asian countries including India need to accelerate a just transition to renewable energy and take a stronger lead in shaping the Global South's climate response, climate activist Harjeet Singh said at Bangkok Climate Action Week. *[The Economic Times]*

Govt plans to roll out BS-VII emission norms in 3 phases from April 2029: The proposed BS-VII norms aim to cut emissions across pollutants by 20-50 per cent, with stricter limits on vehicle emissions under real-world driving conditions. *[Business Standard]*

India Inc cuts grid reliance with green power: Indian industries are increasingly adopting captive renewable power to secure cheaper, reliable, and cleaner electricity, boosting sustainability and reducing dependence on costly grid supply. This trend spans steel, cement, automotive, and office sectors. *[Financial Express]*



Sectoral News

Logistics sector must prepare workforce for tech shift: Skill council: The Logistics Sector Skill Council (LSC) in Chennai hosted PRISM 2026 - Powering Recognition: India's Skill Movement, an industry connect meet. *[Business Standard]*

UP Electronics Component Manufacturing Policy, 2025: Key features, eligibility and implementation: The Uttar Pradesh government notified the policy on September 4, 2025, but made eligible capital expenditure incurred from April 1, 2025 claimable under the framework. *[Business Standard]*

Draft steel policy eyes nearly threefold rise in capacity by 2047: Roadmap envisages major expansion in slurry pipelines with support from viability gap funding, a 39 per cent cut in emission intensity, 45 MT exports and measures to expand scrap use. *[Business Standard]*

Four reforms to enhance trust in insurance sector: From commission-free insurance plans to fee-only advisers and public complaint records, four reforms could improve transparency, curb mis-selling and help policyholders make informed choices. *[Business Standard]*

The telecom push-Scaling beyond assembly to advanced deep technology: India's telecom sector is moving beyond adding coverage and capacity to confront a challenge: Domestic technology ownership. A report by KPMG warns that while the country has proven its ability to scale assembly, critical deep-tech layers remain more than 70 per cent import-dependent. *[Business Standard]*

Indian auto firms set up China bases as raw material costs and trade barriers mount: Companies like Ather Energy, Ceat, and Lumax Auto Technologies are establishing local offices, hiring Chinese executives, and setting up offshore units to optimize procurement costs, secure rare-earth inputs, and bypass mounting trade bottlenecks. *[Mint]*

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