Finance ministry to conduct factory visits for ground-level inputs ahead of Budget planning

NEW DELHI, May 28: In a first, the Union finance ministry has launched a nationwide programme of field visits to manufacturing units and industrial clusters as the government seeks ground-level industry feedback to support economic policymaking and manage challenges arising from the ongoing West Asia crisis.

The initiative, led by the Department of Economic Affairs in the Finance Ministry, will involve senior DEA officials visiting large, medium and small manufacturing units, as well as externally aided projects, to assess operational and policy challenges across sectors.

According to an official communication reviewed by PTI, the visits aim to provide direct insights into infrastructure bottlenecks, regulatory hurdles, supply chain disruptions, access to finance, skilling gaps and technology adoption issues affecting businesses.

An email seeking comment from the finance ministry did not receive any immediate response.

Despite strong public capital expenditure and resilience in some sectors, private investment activity in India has remained uneven amid global economic uncertainty and tightening financial conditions.

The ongoing West Asia crisis has added to industry concerns by driving up crude oil prices, weakening the rupee and widening current account deficit, while also disrupting supply chains and increasing freight and input costs for businesses dependent on imports and global trade flows.

To get a better grip on the extant of the issue, the DEA wants to complement macro-level analysis with granular, ground level insights. And so teams of up to five members, led by either additional secretary, joint secretary or a director in the ministry, will undertake 2-3 days of field visits across different industrial clusters.

Under the programme guidelines, teams will be required to cover manufacturing, infrastructure, employment and research sectors, as well as engage with at least two startups during each visit.

The initiative is designed to strengthen evidence-based policymaking by incorporating real-time field inputs into economic policy decisions and upcoming Union Budget proposals, the DEA said.

An April 17, 2026 office order issued by the department said the evolving global economic environment required "structured, field-based assessment exercises" to generate first-hand insights for more targeted policy interventions.

Detailed sectoral reports from the visits are to be submitted to the secretary of economic affairs within 10 days of completion to support policy formulation and implementation reviews.

Industry body Confederation of Indian Industry has been asked to facilitate interactions between companies and visiting officials, with businesses encouraged to share policy recommendations and operational concerns with the teams.

The visits are intended to facilitate direct interaction with industry and to better understand operational realities, including infrastructure constraints, regulatory challenges, access to finance, skilling requirements and technology adoption.

The initiative aims to strengthen evidence-based policymaking through structured, field-based assessment exercises, according to the DEA order.

It aims to bridge policy gaps and improving design and delivery. It also aims at enhancing policy precision, ensuring all divisions of DEA actively contribute to economic policy formulation, fostering a more integrated and holistic approach.

The move also looks to systematically capture sector-specific operational challenges, including infrastructure bottlenecks, regulatory hurdles, supply chain constraints, access to finance, skilling gaps, technology adoption issues which will assess the effectiveness of existing policies and schemes, including their implementation challenges at the ground level.

This initiative, the DEA said, will institutionalilse a feedback loop between field realities and policy design, ensuring that policy interventions are both responsive and targeted.

Detailed sectoral report are to be submitted within the stipulated timeline to support policy formulation and the upcoming Union Budget proposals. (PTI)

NHAI identifies 17 highway assets for monetisation in FY27

NEW DELHI, MAY 28: State-owned NHAI on Thursday said it has identified 17 National Highways assets with a total combined length of 1,692.5 km for monetisation under the toll-operate-transfer (TOT) and infrastructure investment trust (InvIT) modes during the financial year 2026â€"27.

NHAI, in a statement, said the identified National Highways assets comprise stretches across nine states, including Haryana, Jharkhand, Karnataka, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Bihar, and Maharashtra.

These Highway assets collectively represent economic and logistics corridors with established traffic potential and robust connectivity significance, it added.

NHAI said the monetization exercise will be undertaken through transparent and structured mechanisms under the TOT and InvIT frameworks. TOT and InvIT have emerged as successful models for attracting long-term institutional investment into further expanding the National Highway infrastructure by adopting innovative financing mechanisms for sustainable infrastructure development while ensuring efficient asset management and operational excellence.

However, the list does not include the assets proposed to be monetised through Raajmarg Infra Investment Trust (RIIT) for FY 2026â€"27, it added.

The 17 identified National Highways assets include — Hazaribagh-Barhi-Koderma section of NH-20 (68.8 km), Delhi/Haryana Border to Rohtak of NH-9 from KM 29.7 to KM 87 in the State of Haryana (52 km), Trichy to Thuvarankurichi Madurai of NH-38 (124.8 km) and Aligarh to Kanpur section of NH-34 (283.8 km). (PTI)

Small businesses record strongest growth since Covid despite rising cost pressures: Report

NEW DELHI, MAY 28: Indian small businesses delivered their strongest performance in 2025 since 2019 and remain highly confident about growth in 2026, a report said on Thursday.

However, rising costs continue to pose a significant challenge, potentially constraining future expansion.

According to CPA Australia's Asia-Pacific Small Business Survey 2025/26, 80 per cent of Indian small businesses grew last year, well above the Asia-Pacific average of 63 per cent.

Looking ahead, it said, 87 per cent expect their business to grow in 2026 and 84 per cent anticipate growth in the local economy, outperforming regional peers and reinforcing India's position as one of the most upbeat small business markets in the region.

Improvements in customer experience and technology adoption were identified as key drivers supporting business growth in 2025, it said.

Despite strong sentiment, cost pressures remain the most significant headwind, it said, adding that the survey shows that 42 per cent of respondents cited increasing costs as their biggest challenge in 2025, with materials costs ranked as the most damaging cost pressure for the third consecutive year.

MSMEs continue to play a vital role in job creation, supported by a new generation of younger business owners who are emerging as a powerful driver of growth and transformation across the sector, it said.

Demand for external finance remained strong in 2025, with four in five Indian MSMEs requiring external funding, up from 72 per cent in 2024, it said, adding that 53 per cent reported that access to finance was easy or very easy, indicating improving financing conditions.

The survey was conducted by CPA Australia in November and December 2025, gathering responses from 4,166 small businesses with fewer than 20 employees across 11 Asia-Pacific markets, including 513 from India.

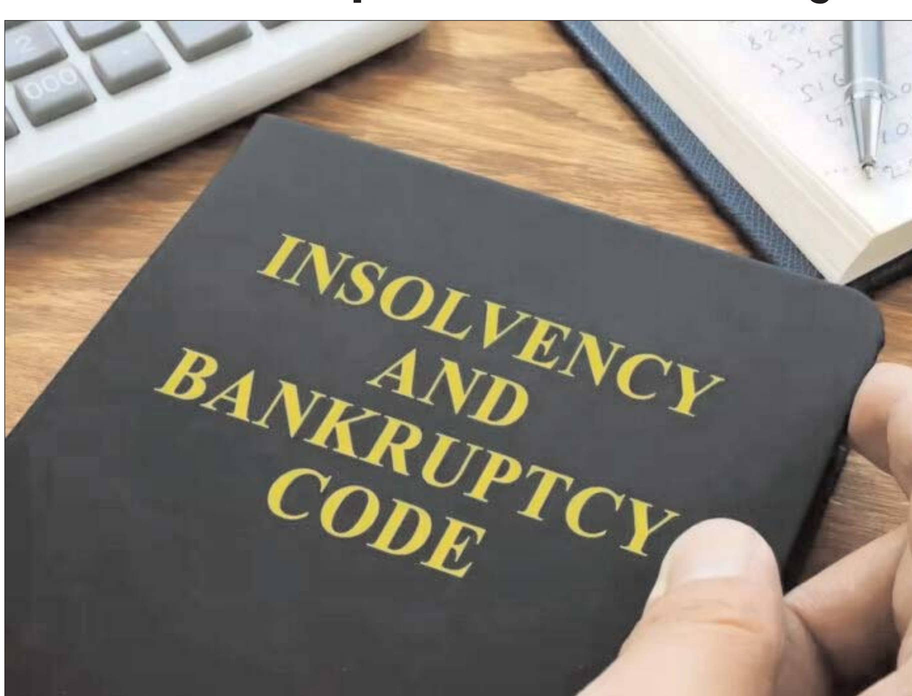
"Rising geopolitical uncertainty since March has added volatility to the business environment. While service sector remains largely unimpacted, manufacturing and export-oriented MSMEs are facing multiple pressures, including higher energy and logistics costs, rising raw material prices and uncertain order pipelines," Aniket Talati, CPA Australia spokesperson in India said.

However, weakening rupee could have improved export margins and helped absorb some of the impact, he said.

Careful planning, proactive cost management, investments in renewable energy and alternative materials, cash-flow control and effective risk management will be critical to sustaining growth and profitability in the period ahead, he added. (PTI)

Creditors realised Rs 4 lakh cr; cases involving Rs 14 lakh cr settled in pre-admission stage

NEW DELHI, MAY 28: Creditors have realised more than Rs 4 lakh crore through resolution processes under the insolvency law, which has been in force for ten years.



Also, over 30,000 cases involving a total amount of nearly Rs 14 lakh crore filed before the tribunal NCLT have been resolved in the pre-admission stage.

The Insolvency and Bankruptcy Code (IBC), which provides for a time-bound and market-linked resolution of stressed assets, came into force in 2016.

"As of March 2026, 1,419 (cases) had yielded resolution plans, and the resolution process has facilitated realisation of over Rs 4 lakh crore for creditors. This realisation to the creditors is 95 per cent and 167 per cent as against their fair and liquidation value, respectively," IBBI Chairperson Ravi Mital has said.

In a message on the completion of ten years of IBC, Mital said the deterrent effect of the Code is evident from the fact that more than 30,000 cases filed before the National Company Law Tribunal (NCLT) were resolved at the pre-admission stage through withdrawals, involving amounts estimated at nearly Rs 14 lakh crore.

"These settlements demonstrate the extent to which the Code has altered debtor-creditor dynamics by encouraging timely resolution of financial stress outside formal insolvency proceedings," he noted.

The Insolvency and Bankruptcy Code (IBC) and NCLT are key institutions in implementing IBC.

Till March this year, a total of 8,987 cases had been admitted, and 7,102 reached closure.

"Of these closed cases, while 4,099 companies — around 58 per cent of these closures were successfully rescued, another 3,003 cases culminated in liquidation.

"Among the rescued entities, 1,388 cases were closed on account of appeal, review, or settlement; 1,292 were withdrawn," Mital said. Around 42 per cent of the cases that ended with resolution plans had previously been with the Board for Industrial and Financial Reconstruction or were defunct.

IBC has changed India's approach to business distress from delay and uncertainty to resolution and revival, Nirmala Sitharaman's office said in a series of posts on X.

Sitharaman is helming the finance and corporate affairs ministries.

Describing IBC as a cornerstone of India's financial reform architecture, the minister's office said the Code has marked a decisive shift from a fragmented, debtor-controlled process to a unified, creditor-driven and time-bound resolution framework.

In the message posted on the IBBI website, Mital said the Code has emerged not merely as a legislative reform, but as an institutional transformation with far-reaching implications for credit markets, corporate behaviour, investor confidence and economic efficiency.

"The jurisprudence evolving around the Code has contributed to the development of a robust and dynamic insolvency ecosystem that continues to adapt to emerging economic realities and stakeholder expectations," he said. (PTI)

Measures like tax relief, import curbs can shield India from West Asia crisis: Report

NEW DELHI, MAY 28: India needs to undertake measures such as tax moderation to boost export competitiveness, targeted import curbs on non-essential and demerit goods, and time-bound enforcement of trade-remedy measures to shield itself from the impact of the West Asia crisis, a report said.

The global economic landscape faces a profound stress test and geopolitical volatility in West Asia is driving structural cost-push inflation across essential sectors — energy, agriculture, and manufacturing, according to a report by Think Change Forum.

"The traditional fiscal response — relying on open-ended subsidies to buffer these shocks — is no longer sustainable. It creates a moral hazard by shielding firms from global volatility through perpetual subsidies, the policy disincentivises the structural efficiency and vertical integration necessary for global competitiveness," it said.

This report proposes a strategic pivot — replacing blunt subsidy-led interventions with a precise, three-pillar framework of structural tax moderation and defensive trade alignment.

By dismantling inverted duty structures, calibrating tariffs dynamically, and restricting non-merit luxury imports, India can secure its domestic industrial base while maintaining fiscal discipline, it said, adding that this is a transition from reactive relief to proactive macroeconomic fortification.

As Prime Minister Narendra Modi recently emphasised, it said, reducing the import of non-essential goods is no longer an austerity measure — it is a cornerstone of national security and foreign exchange resilience.

India's merchandise imports touched USD 774.98 billion in 2025-26 against exports of USD 441.78 billion, creating a trade deficit exceeding USD 333 billion, as per the data released by the Ministry of Commerce and Industry.

To defend the rupee and maintain economic sovereignty amidst global turmoil, the report said, India must actively weed out non-merit and low value-addition imports where robust domestic ecosystems already exist.

Unrestricted imports of low-value-addition discretionary products continue to create avoidable pressure on foreign exchange reserves while weakening opportunities for deeper domestic value addition, capacity expansion and employment generation.

The report also identified demerit goods, including imports of cigarettes, cigars, smoking tobacco, cut tobacco and manufactured tobacco substitutes, which crossed USD 116 million despite India already being one of the world's largest tobacco producers with fully developed domestic manufacturing ecosystems.

Luxury confectioneries, premium personal care products and demerit goods should be moved from the Open General Licence (OGL) framework to restricted licensing channels linked to stricter quality compliance mechanisms.

It argued that this would help conserve foreign exchange, support domestic value addition and prevent scarce forex from being used for avoidable consumption imports.

Also purchase of luxury items such as watches, luxury cars can be deferred to a later date.

Rejection of DGTR anti-dumping recommendations surged from 0.5 per cent (1991-2020) to as high as 81 per cent between November and December 2025, raising concerns over domestic manufacturing protection and the need to immediately notify trade-remedy measures where injury has been established. (PTI)

Gulf Oil Lubricants building scalable EV ecosystem amid rising adoption of electric vehicles

MUMBAI, MAY 28: Gulf Oil Lubricants India is steadily building a scalable EV ecosystem amid rising adoption of electric vehicles and demand for charging infrastructure in the domestic market.

This comes as EV penetration in the two-wheeler segment is nearing 7 per cent, the company said on Thursday.

According to the company, its EV subsidiary Tirex revenue crossed Rs 100-crore mark during the previous fiscal.

The Hinduja Group firm Gulf Oil Lubricants on Wednesday had reported a 3.46 per cent dip in the consolidated Profit After Tax (PAT) to Rs 89.59 crore for the March quarter. The company had recorded a consolidated PAT of Rs 92.80 crore in the last quarter of FY25.

Revenue from operations for the fourth quarter of the previous fiscal was up 10.76 per cent at Rs 1,055.26 crore from Rs 952.74 crore in the corresponding quarter a year earlier.

For FY26, consolidated PAT dropped 3.51 per cent to Rs 344.85 crore from Rs 357.39 crore in FY25. Revenue from operations was at Rs 4,057.04 crore in FY26 against Rs 3,631.16 crore in FY25.

"Mobility remains a key strategic growth pillar for Gulf Oil as we continue expanding beyond lubricants into future-ready mobility solutions. Alongside strong growth in our core lubricants business, we are steadily building a scalable EV ecosystem as EV adoption and charging infrastructure demand continue to rise in India, with EV penetration in the two-wheeler segment nearing 7 per cent," said Ravi Chawla, Managing Director & CEO, Gulf Oil Lubricants India.

FY26 marked a significant milestone in this journey with Tirex crossing the Rs 100 crore revenue mark for the first time, he said.

Tirex today also holds a leadership position in India's electric bus and fleet charging segment with nearly 40 per cent market share, reinforcing the company's confidence in the mobility business becoming a meaningful contributor to Gulf's long-term growth story, Chawla said.

The business is witnessing encouraging traction with marquee customer additions and remains well aligned with our long-term vision of building a future-ready mobility ecosystem and strengthening the EV segment as a key growth pillar for the company, Gulf Oil Lubricants said. (PTI)