



October 23, 2024 – Wednesday

## Economy

### Retail inflation for farm, rural workers rises in Sept

Retail inflation for farm workers and rural labourers increased to 6.36 per cent and 6.39 per cent, respectively, in September from 5.96 per cent and 6.08 per cent in August this year. The All-India Consumer Price Index for Agricultural Labourers (CPI-AL) and Rural Labourers (CPI-RL) registered an increase of 7 points each in September 2024, reaching levels of 1,304 and 1,316 points, respectively, a labour ministry statement said on Tuesday. "The year-on-year inflation rates based on CPI-AL and CPI-RL for the month of September 2024 were recorded at 6.36 per cent and 6.39 per cent, compared to 6.70 per cent and 6.55 per cent in September 2023. The corresponding figures for August 2024 were 5.96 per cent for CPI-AL and 6.08 per cent for CPI-RL," it said.

<https://economictimes.indiatimes.com/news/economy/agriculture/retail-inflation-for-farm-rural-workers-rises-in-sept/articleshow/114471704.cms>

### Boosting macro fundamentals best defense against global risks: RBI Dy Guv

Fortifying India's macroeconomic fundamentals is the best shield against elevated global uncertainties, a deputy governor of the country's central bank said in New York on Monday. India's merchandise exports and imports have been negatively impacted during episodes of rising geopolitical risk, deputy governor Michael Patra said in a speech at the New York Fed Central Banking Seminar, a copy of which was published by the Reserve Bank of India on Tuesday.

[https://www.business-standard.com/economy/news/boosting-macro-fundamentals-best-defense-against-global-risks-rbi-dy-guv-124102200573\\_1.html](https://www.business-standard.com/economy/news/boosting-macro-fundamentals-best-defense-against-global-risks-rbi-dy-guv-124102200573_1.html)

### IMF retains India's GDP growth forecast at 7% for FY25, 6.5% for FY26

The International Monetary Fund (IMF) on Tuesday kept its growth forecasts for India unchanged at 7 per cent and 6.5 per cent for FY25 and FY26, respectively. It held that pent up demand accumulated during the pandemic has been exhausted as the economy "reconnects" with its potential growth. "In India, the outlook is for GDP growth to moderate from 8.2 per cent in FY24 to 7 per cent in FY25 and 6.5 per cent in FY26. This is because pent-up demand accumulated during the pandemic has been exhausted, as the economy reconnects with its potential," it said in its latest World Economic Outlook report.

[https://www.business-standard.com/economy/news/imf-retains-india-s-growth-forecast-at-7-for-fy25-and-6-5-for-fy26-124102201042\\_1.html](https://www.business-standard.com/economy/news/imf-retains-india-s-growth-forecast-at-7-for-fy25-and-6-5-for-fy26-124102201042_1.html)

### India to grow at 6.8% in FY25 and 6.6% in FY26: S&P Global Market Intelligence

India's growth, although moderating, remains strong with a forecasted average of 6.8 per cent for the fiscal year 2024-25 and 6.6 per cent for 2025-26, according to S&P Global Market Intelligence. Despite a slowdown in economic momentum due to weaker public-sector investment, the outlook for India's economy is buoyed by several positive factors.

<https://economictimes.indiatimes.com/news/economy/indicators/india-to-grow-at-6-8-in-fy25-and-6-6-in-fy26-sp-global-market-intelligence/articleshow/114456661.cms>

### **Indian economy to grow 7-7.2% in FY25 on strong govt spending: Deloitte**

The Indian economy could grow between 7-7.2 per cent in the current fiscal on strong government spending, and higher manufacturing investments, but a tempered global growth will impact the outlook for the next fiscal, Deloitte India said on Tuesday. In its 'India Economy Outlook for October 2024', Deloitte said the thriving manufacturing sector, stable oil prices, and potential US monetary easing post-elections may boost India's capital inflows, reduce production costs, and enhance long-term investments and job opportunities.

[https://www.business-standard.com/economy/news/indian-economy-to-grow-7-7-2-in-fy25-on-strong-govt-spending-deloitte-124102200574\\_1.html](https://www.business-standard.com/economy/news/indian-economy-to-grow-7-7-2-in-fy25-on-strong-govt-spending-deloitte-124102200574_1.html)

## **Finance**

### **RBI expands its "Alert List" of forex trading platforms, adds 13 new names**

The Reserve Bank of India has added as many as 13 new names to its "Alert List" of unauthorised forex trading platforms, news agency PTI reported on October 22. Following this update, the total number of entities on the list now stands at 88. The latest additions include names such as TDFX, Inefex, Ranger Capital, YorkerFX, Growline, Think Markets, etc, among others. These entities will neither be authorised from now to deal in foreign exchange under the Foreign Exchange Management Act (FEMA) of 1999 nor to operate electronic trading platforms as per RBI's 2018 directions.

<https://economictimes.indiatimes.com/news/economy/policy/rbi-expands-its-alert-list-of-forex-trading-platforms-adds-13-new-names/articleshow/114458604.cms>

### **Digital payments surge: Cash usage declines post-pandemic in India, says study by RBI economist**

Sixty percent of consumer expenditure is still cash based as of March 2024. But its share is declining rapidly post COVID. The share of digital more than doubled in three years from 14-19 percent in March 2021 to 40 to 48 percent in March 2024, a study by an RBI economist showed. "A cash usage indicator (CUI) taking into account both physical and digital modes of payments indicates that the cash usage remains significant but has been declining during the period under study" said the author Pradip Bhuyan from the Reserve Bank's department of currency management in a paper titled "Cash Usage Indicator for India" which analysed consumer spending data from 2011-12 to 2023-24.

<https://economictimes.indiatimes.com/news/economy/finance/digital-payments-surge-cash-usage-declines-post-pandemic-in-india-says-rbi/articleshow/114471507.cms>

### **MFI loans decline 2.3 pc in June qtr, NPAs rise: Report**

Loan portfolio of microlenders reduced by 2.3 per cent quarter-on-quarter to Rs 4.32 lakh crore in April-June while NPAs surged, a report said. Notably, for the last few months, microfinance institutions, banks and small finance banks which extend MFI loans, have been reporting challenges on this portfolio, and the regulator has also flagged the same. The report by Crif High Mark, a credit information company said, there was 17.2 per cent increase in the borrowers having more than five active loan accounts in June when compared with the year-ago period, with highest growth seen in West Bengal and Karnataka.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/mfi-loans-decline-2-3-pc-in-june-qtr-npas-rise-report/articleshow/114473667.cms>

## **Industry**

### **Auto parts companies riding high on premiumisation**

Makers of car sensors, sunroofs, alloy wheels, ADAS (advanced driver assistance systems) instrument clusters and other such parts and systems are experiencing surging demand due to the premiumisation wave sweeping India's growing automobile industry. These companies have become a major beneficiary of the growing demand for cars and SUVs with high-end features related to safety and comfort, stricter regulations and a thrust on making in India.

<https://economictimes.indiatimes.com/industry/auto/auto-components/auto-parts-companies-riding-high-on-premiumisation/articleshow/114477151.cms>

### **Electronics makers all charged up as India-China tensions ease**

The Indian electronics manufacturing industry is hopeful the de-escalation of border tensions between India and China may speed up pending technology transfers, planned investments from Chinese companies and movement of capital goods. Some executives though said despite a thaw in the tensions, Chinese companies will remain cautious about investing in and sending executives to India, which would need to address the existing trust deficit.

<https://economictimes.indiatimes.com/industry/cons-products/electronics/electronics-makers-all-charged-up-as-india-china-tensions-ease/articleshow/114475265.cms>

#### **Carmakers still monitoring on CAFE norms as government yet to release latest data**

Automobile companies have said that they are still monitoring the situation on Corporate Average Fuel Efficiency Norms (CAFE) with alternate fuels like CNG, hybrid, efficient engines or electric vehicles, while the government has not published any new data on the average CO2 emitted by vehicles of each company.

<https://www.thehindubusinessline.com/economy/carmakers-still-monitoring-on-cafe-norms-as-government-yet-to-release-latest-data/article68783862.ece>

#### **FMCG demand sluggish in urban India on account of food inflation, commodity costs: Nestle chairman**

Urban India is under some strain as demand continues to be muted amid surging food inflation, packaged foods maker Nestle India's chairman Suresh Narayanan said at a media briefing on Tuesday at the company's infant foods plant in Samalkha. He said there are "some pressure points from mega cities and metros" though tier one and below towns and rural markets seem to be reasonably stable. "The FMCG sector is facing sluggish demand with growth declining to 1.5-2 per cent compared to double digit growth a few quarters ago," Narayanan said.

<https://economictimes.indiatimes.com/industry/cons-products/fmcf/fmcf-demand-sluggish-in-urban-india-on-account-of-food-inflation-commodity-costs-nestle-chairman/articleshow/114469891.cms>

#### **Indian IT sector poised for 6-10% wage hike in FY25 despite temporary furloughs**

Amidst the Indian IT industry's promises of wage hikes in FY25, data indicates that the impact of furloughs, primarily in Q3, is temporary, and with the anticipated increase in projects in Q4 and early FY26, companies may still have enough room to implement wage hikes to maintain their competitive edge in the talent market.

<https://www.thehindubusinessline.com/info-tech/indian-it-sector-poised-for-6-10-wage-hike-in-fy25-despite-temporary-furloughs/article68782992.ece>

#### **Data centre capacity to more than double to 2,100 MW by FY27: ICRA**

India's data centre capacity is expected to reach 2,000-2,100 megawatts (MW) by FY2027, with anticipated investments of Rs 50,000-55,000 crore fuelled by digital boom and data localisation efforts, according to credit rating agency Icra. The current capacity stands at 950 MW, with major players like NTT Global Data Centers, CtrlS Data Centres, STT Global Data Centers, Sify Technologies and Nxtra Data controlling 85 per cent of the market (as of March 2024), Icra said in a statement.

[https://www.business-standard.com/technology/tech-news/data-centre-capacity-to-more-than-double-to-2-100-mw-by-fy27-icra-124102200683\\_1.html](https://www.business-standard.com/technology/tech-news/data-centre-capacity-to-more-than-double-to-2-100-mw-by-fy27-icra-124102200683_1.html)

#### **GCCs outpace IT firms in race for tech talent**

The demand for tech talent (excluding freshers) from GCCs (Global Capability Centres) continued to outpace that of IT companies in the second quarter of FY25, as clients' discretionary spending showed a slower recovery. According to industry data from TeamLease Digital, GCCs accounted for 52.6% of job openings for tech profiles in the September quarter, maintaining the same level as in the first quarter.

<https://www.financialexpress.com/business/industry-gccs-outpace-it-firms-in-race-for-tech-talent-3645994/>

#### **Companies to now report overseas staff exercising stock options**

Corporates will have to report the names of all overseas employees exercising any form of stock options, including share appreciation rights (SARs), cashless plans, as well those schemes where securities are held by trusts on behalf of non-residents. This was communicated to banks on Monday by the Reserve Bank of India as part of the amended guidance on foreign investment reporting and management system, two persons told ET.

<https://economictimes.indiatimes.com/news/economy/policy/companies-to-now-report-overseas-staff-exercising-stock-options/articleshow/114475198.cms>

## Agriculture

### 65 mn rural families involved in dairying need to be in co-op sector: Shah

Union minister Amit Shah said on Tuesday that 6.5 crore rural families involved in milk production are outside the ambit of the cooperative sector and face exploitation as they are not getting a fair price. Shah said that only 1.5 crore out of 8 crore rural families involved in dairy farming are part of the cooperative sector and asked the National Dairy Development Board (NDDB) to ensure that they all get the full value of their produce.

[https://www.business-standard.com/industry/news/65-mn-rural-families-involved-in-dairying-need-to-be-in-co-op-sector-shah-124102200753\\_1.html](https://www.business-standard.com/industry/news/65-mn-rural-families-involved-in-dairying-need-to-be-in-co-op-sector-shah-124102200753_1.html)

### India's cotton output to fall on lower area, excess rain

India's cotton production in 2024/25 is likely to fall by 7.4% from a year ago to 30.2 million bales because of lower area and as excessive rainfall damaged the crop, a leading trade body said on Tuesday. Lower production will reduce exports from the world's second biggest cotton producer in the current marketing year started on Oct. 1 and force the country to increase imports, supporting global prices .

<https://economictimes.indiatimes.com/news/economy/agriculture/indias-cotton-output-to-fall-on-lower-area-excess-rain/articleshow/114462212.cms>

## Energy

### Natural gas imports surge 18 per cent to \$7.7 billion in H1

India's import bill for natural gas surged by 18.5% to \$7.7 billion during the first half of the current fiscal compared with \$6.5 billion in the same period a year ago due to a rise in consumption particularly by the city gas distribution (CGD) companies and the power sector, data from the Petroleum Planning and Analysis Cell showed. The import bill for the month of September stood at \$1.2 billion against \$1.1 billion in the corresponding period of last fiscal.

<https://www.financialexpress.com/business/industry-natural-gas-imports-surge-18-per-cent-to-7-7-billion-in-h1-3645789/>

### Rs 4 trillion transmission infra required to meet 2027 power demand: CEA

To meet an expected power demand of 277 gigawatt (Gw) by 2027, India will require an investment of Rs 4.25 trillion in power transmission infrastructure, according to the latest National Electricity Plan (NEP) on transmission released by the Central Electricity Authority. The Central Electricity Authority is the technical arm of the Ministry of Power. The NEP, which comes in two parts — generation and transmission — is a guiding report on power infrastructure planning. Last year, NEP-generation provided estimates on source-wise electricity generation and demand scenarios for the decade.

[https://www.business-standard.com/economy/news/rs-4-trillion-transmission-infra-required-to-meet-2027-power-demand-cea-124102201038\\_1.html](https://www.business-standard.com/economy/news/rs-4-trillion-transmission-infra-required-to-meet-2027-power-demand-cea-124102201038_1.html)

### Use mining byproducts to make sand for construction projects: Coal Ministry report

India wants to use Overburden (OB), the by product from mining operations, and process it to produce Manufactured-Sand (M-Sand), which can be used in construction projects. This move will reduce dependency on river sand and preventing environmental degradation, a Coal Ministry statement said. To make this possible, public-sector undertakings (PSUs) have commissioned four OB processing plants and five OB-to-M-sand pilot plants. Additionally, six more OB processing and OB-to-M-sand plants are currently in various stages of installation within the Coal/Lignite PSUs, the statement added.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/metals-mining/use-mining-byproducts-to-make-sand-for-construction-projects-coal-ministry-report/articleshow/114467880.cms>

### Russia retains status as top oil supplier to India

The UAE and the US significantly expanded their share of Indian crude imports in the first half of this fiscal year even as Russia maintained its top supplier status on the back of attractive price discounts. The UAE's share increased to 8% in April-September compared to 5% in the previous year, according to energy cargo tracker Vortexa. It was the

fourth-largest crude supplier to India behind Russia (39% market share), Iraq (18%) and Saudi Arabia (13%). The top three suppliers lost about 0.5% each from a year earlier and maintained their rankings.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/russia-retains-status-as-top-oil-supplier-to-india/articleshow/114476539.cms>

### **ADB commits \$241 million loan to improve power distribution in West Bengal**

The Asian Development Bank (ADB) has approved a USD 241.3-million loan to improve electricity distribution in West Bengal in order to help enhance people's quality of life by ensuring reliable and sustainable power supply. "This ADB programme is aligned with the government's Revamped Distribution Sector Scheme, which aims to strengthen the operational efficiency of power distribution companies," ADB Principal Energy Specialist Roka Sanda said in a statement.

<https://economictimes.indiatimes.com/industry/energy/power/adb-commits-241-million-loan-to-improve-power-distribution-in-west-bengal/articleshow/114454452.cms>

## **Telecom**

### **TRAI seeks comments from stakeholders on authorisation for telecom and cloud-based networks**

The Telecom Regulatory Authority of India (Trai) has sought comments from stakeholders regarding the authorisation that would be granted for setting telecommunications, satellite or cloud-hosted telecommunications networks. The 166-page consultation paper, comprising 37 questions, follows a reference from Department of Telecommunications (DoT) dated July 26, seeking to get recommendations on terms and conditions, including fees or charges, for authorisation to establish, operate, maintain or expand telecommunications network as per the provisions of the Telecommunications Act, 2023.

<https://economictimes.indiatimes.com/industry/telecom/telecom-policy/trai-seeks-comments-from-stakeholders-on-authorisation-for-telecom-and-cloud-based-networks/articleshow/114474649.cms>

## **States**

### **Assam's first underwater tunnel: CM Himanta Biswa Sarma says DPR nears completion**

Assam chief minister Himanta Biswa Sarma stated that Detailed Project Report (DPR) on the Gohpur-Numaligarh tunnel project is nearing completion. Assam's first underwater tunnel to be constructed between Numaligarh and Gohpur at a cost of Rs 6000 crores. Sarma has announced significant updates on various road infrastructure projects in Assam following a meeting with Union Minister for Road Transport and Highways Nitin Gadkari on Tuesday.

<https://economictimes.indiatimes.com/news/economy/infrastructure/assams-first-underwater-tunnel-cm-himanta-biswa-sarma-says-dpr-nears-completion/articleshow/114470984.cms>

### **Karnataka to formulate policy to increase investment in the green energy**

The Karnataka government will formulate a policy to increase investment and ease of doing business in the green energy sector. The state's Industries Minister, MB Patil, announced the need for a policy to effectively capitalize on investment and production opportunities on Tuesday. With an estimated requirement of Rs 45-50 crore in capital and five gigawatts of power, the state aims to boost such projects. "As per experts, a location within a 20 km radius of Mangaluru port would be ideal for green ammonia and green hydrogen production," Patil said while interacting with the state's Vision Group for Green Energy.

<https://economictimes.indiatimes.com/industry/renewables/karnataka-to-formulate-policy-to-increase-investment-in-the-green-energy/articleshow/114467625.cms>

### **AP to set up 300-acre Drone Hub in Kurnool, plans to train 35,000 drone pilots**

The Andhra Pradesh government will be setting up a Drone Hub in 300 acres in Kurnool and plans to train 35,000 drone pilots, according to Chief Minister N Chandrababu Naidu. Speaking at the inauguration of the two-day 'Amaravati Drone Summit 2024' in Vijayawada on Tuesday, Naidu said, "Amaravati will become the drone capital of India, and Andhra Pradesh will lead the way in drone technology." The initiative is aimed at boosting drone manufacturing, innovation, and research in the State, he said.

<https://www.thehindubusinessline.com/news/national/ap-to-set-up-300-acre-drone-hub-in-kurnool-plans-to-train-35000-drone-pilots/article68782947.ece>

## External

### India scraps export tax on parboiled rice to boost exports

India on Tuesday scrapped the export tax on parboiled rice, the government said in an official order, as inventories in the world's biggest exporter of the grain surged and the country is set to produce a bumper crop after copious monsoon rains. Tuesday's decision to remove the tax follows last month's move to reduce the duty to 10% from 20% to boost exports.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-removes-export-tax-on-parboiled-rice-govt-order-shows/articleshow/114474594.cms>

### Germany expects 10% rise in Indian tourist arrivals in 2025: GNTB

Germany is eyeing a 10 per cent increase in the Indian tourist influx into the European nation next year, an official said on Tuesday. The German National Tourism Board (GNTB) expects the Indian tourists to clock one million (10 lakh) overnight stays in Germany this year itself. "I am quite hopeful that we will reach 1 million overnight stays this year (by Indian tourists) and an additional 1 lakh nights next year so an additional 10 per cent (in 2025)," Petra Hedorfer, CEO of GNTB, said.

[https://www.business-standard.com/industry/news/germany-expects-10-rise-in-indian-tourist-arrivals-in-2025-gntb-124102200843\\_1.html](https://www.business-standard.com/industry/news/germany-expects-10-rise-in-indian-tourist-arrivals-in-2025-gntb-124102200843_1.html)

### Longer payment schedules adding to liquidity woes of exporters

Apart from higher costs and other difficulties, the disruption caused by the two war zones in the world has added to the liquidity woes of India's exporters as they deal with longer payment schedules and the impact of the situation on export credit which is falling consistently since 2022. At the end of March 2022 quarter the outstanding export credit was at Rs 2.27 lakh crore and by the end of March this year it was down to Rs 2.17 lakh crore. Some part of the export credit that is given to agriculture and micro, small and medium enterprises comes under Priority Sector Lending (PSL).

<https://www.financialexpress.com/business/industry-longer-payment-schedules-adding-to-liquidity-woes-of-exporters-3645935/>

### DGTR suggests anti-dumping duty on Chinese drawer sliders to protect MSMEs

The commerce ministry's investigation arm DGTR has recommended an anti-dumping duty of USD 422 per tonne on Chinese drawer sliders with a view to guard MSME units. In its findings, the Directorate General of Trade Remedies (DGTR) has concluded that 'Telescopic Channel Drawer Slider' has been exported to India at a price below the normal value, resulting in dumping. The imports are also undercutting the prices of the domestic industry, the DGTR has said in a notification. "The authority recommends imposition of anti-dumping duty on the imports," it said.

[https://www.business-standard.com/economy/news/dgtr-suggests-anti-dumping-duty-on-chinese-drawer-sliders-to-protect-msmes-124102201031\\_1.html](https://www.business-standard.com/economy/news/dgtr-suggests-anti-dumping-duty-on-chinese-drawer-sliders-to-protect-msmes-124102201031_1.html)

### India's attempts fail against rivals as US diverts trade from China: Study

India's attempts at boosting its manufacturing sector by capitalizing on the US-China trade war have fallen short, according to a new study, with other Asian rivals benefiting to a much greater extent from escalating tensions between the world's biggest economies. Between 2017 and 2023, India's total share in US imports rose by 0.6 per cent points to 2.7 per cent while mainland China's portion dropped by around 8 per cent points to under 14 per cent, according to Oxford Economics. The biggest beneficiary from the trade diversion in the region has been Vietnam, whose total share in US imports grew by 1.7 per cent points to 3.7 per cent in the period.

[https://www.business-standard.com/economy/news/india-s-attempts-fail-against-rivals-as-us-diverts-trade-from-china-study-124102200663\\_1.html](https://www.business-standard.com/economy/news/india-s-attempts-fail-against-rivals-as-us-diverts-trade-from-china-study-124102200663_1.html)