



Public Finance

Govt Looks to Raise ₹400 crore from Office Scrap Disposal

The Centre is aiming at raising ₹400 crore from scrap disposal across government offices, free up 100 lakh square feet space in sarkari offices and clean up 2.26 lakh sites under #SpecialCampiagn3 launched on September 29. (*The Economic Times*)

Rise in debt and guarantees a concern for states: Icra

Capital spending by thirteen major states will likely surge by 29% in FY24, supported by loans from the Centre, but the leverage level of the states studied indicated a worrying rise in their debt and guarantees to 30% of GSDP from 28.9% in FY23, rating agency Icra said on Tuesday. (*Financial Express*)

Capex Surge. 13 major States set for 29% spending boost in FY24: ICRA

Rating agency ICRA sees a sample of 13 Major State Governments' going on a Capex spending push, increasing their aggregate expenditure on this front by 29 per cent to ₹6.2 lakh crore (₹4.8 lakh crore) this fiscal. The 13 States forming part of ICRA's sample are Andhra Pradesh, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh and West Bengal. (*BusinessLine*)

Govt eases drawing rights to put spending on fast track

Seeking to improve cash management, the finance ministry has allowed ministries and departments to fully leverage existing sanctions to fund central sector schemes (CSSs), before seeking fresh ones. (*Financial Express*)

Weeding Out Fake Welfare Scheme Beneficiaries to Help Save ₹18K cr

The Centre expects to save ₹18,000 crore in the current fiscal by identifying and removing fake welfare beneficiaries across schemes. (*The Economic Times*)

Mopup of Savings Scheme for Elderly Crosses ₹1 L cr

Collections under the small savings scheme for senior citizens have surged after the government doubled the limit in the budget, crossing ₹1 lakh crore in the first half of the fiscal year. (*The Economic Times*)

India to spend nearly ₹143 lakh crore on infrastructure between FY24 and FY30: CRISIL

India will spend nearly ₹143 lakh crore on infrastructure between fiscals 2024 and 2030, more than twice the ₹67 lakh crore spent in the past seven financial years starting 2017, rating agency CRISIL said on Tuesday. (*The Hindu*)



EU 'open' to allowing India collect carbon tax

The EU is ready to consider India's proposal of domestic collection of the carbon tax that the bloc plans to levy on Indian steel, aluminium and cement shipments under the Carbon Border Adjustment Mechanism (CBAM) from January 1, 2026, but it would be subject to "detailing and discussions", officials tracking the matter have said. *(BusinessLine)*

CBDT simplifies angel taxation norms for DPIIT-recognised start-ups

Recognised Start-ups will not face verification on account of angel taxation in case they are picked up for scrutiny. The Central Board of Direct Taxes (CBDT) has issued an instruction to follow the same. *(BusinessLine)*

DTAA can't be enforced unless notified under Section 90 of Income Tax Act, says SC

Companies such as Nestle SA (the parent company of Nestle India) may have to face demand for higher taxes on dividend after the Supreme Court on Thursday held that a Double Taxation Avoidance Agreement (DTAA) cannot be given effect unless notified under the Income Tax Act. *(BusinessLine)*



National Accounts and State of the Economy

Medical, Tuition Expenses to Hurt Even as Core Inflation Eases

Medical and tuition expenses are likely to stay high even as core inflation has declined, experts said, citing data which showed health and education inflation remained high in the first half of 2023-24 despite core inflation dipping to a three-and-a-half-year low of 4.6% in September. *(The Economic Times)*

India Slips to 45th Spot on Global Pension Index 2023

Even as India's retirement system has improved to some extent from last year, the country ranked 45 out of the 47 retirement income systems analysed, a report said on Tuesday. *(The Economic Times)*

Wholesale inflation remained in deflation zone for the sixth successive month in September

Producers' inflation rate based on the Wholesale Price Index (WPI) remained in the negative zone for the sixth successive month at (-) 0.26 per cent in September, government data released on Monday showed. However, sequential data showed that deflation has come down. WPI inflation was (-) 0.52 per cent in August. *(BusinessLine)*

Median GDP growth forecast for 2023-24 pegged at 6.3%: FICCI Economic Outlook Survey

The latest round of FICCI's Economic Outlook Survey has projected annual median GDP growth forecast for the year 2023-24 at 6.3 per cent—with a minimum and maximum growth estimate of 6 per cent and 6.6 per cent, respectively. The median GDP growth is

estimated at 6.1 per cent and 6.7 per cent in the quarters ended September 30 and December 31, the results of the survey showed. [\(BusinessLine\)](#)

E-commerce firms see higher spending, volumes in festive sales

The festive season sales across e-commerce platforms have seen massive growth as compared to muted growth in 2022, according to industry experts. Amazon launched its marquee festive sale, the Great Indian Festival, on October 8, with early access for Prime members beginning October 7. Flipkart's annual flagship sale event The Big Billion Days, from October 8 to 15, with early access for Plus customers beginning October 7. [\(BusinessLine\)](#)



Banking and Monetary Policy

Risk of Indian banks' unsecured retail loans turning sour is rising, UBS says

The risk of Indian banks' unsecured retail loans turning sour is rising as lending to borrowers with overdue debt has increased, UBS said in a note. In recent months, lenders in Asia's third-largest economy have boosted their unsecured lending portfolios as the pandemic-induced stress on household finances has eased. [\(The Hindu\)](#)

RBI asks banks to adopt risk-based approach for KYC

The Reserve Bank of India (RBI) has tightened customer due diligence (CDD) norms by requiring banks and regulated entities to adopt a risk-based approach for periodic updating of Know Your Customer (KYC) information. The amendments to the Master Direction on KYC follow government instructions related to money laundering rules, unlawful activities, and the prevention of weapons of mass destruction. The RBI has also updated instructions in line with recommendations from the Financial Action Task Force. The amended provisions will come into effect immediately. [\(The Economic Times\)](#)

Don't expect bumper rewards on card spends this festive season

Analysts say the changes made by banks on credit cards this year reflect the new reality after the sharp 250-basis point increase in interest rates by the Reserve Bank of India (RBI) since May 2022 to restrain inflation. One basis point is 0.01 percentage point. ET analysed credit card rewards and charges for HDFC Bank, SBI Card and Axis Bank, which together make up more than 50% of the outstanding cards in the market. [\(The Economic Times\)](#)

PSU banks told to tighten loan risk assessment

The government has asked state-run banks to strengthen their loan risk assessment parameters after the Reserve Bank of India (RBI) flagged signs of stress in the retail loan segment. It has also asked them to focus on the acquisition of high-quality current and savings accounts. [\(The Economic Times\)](#)

RBI's \$5 billion dollar/rupee swap expiry fuels dollar shortage concern

Some foreign exchange traders have raised concerns about the availability of dollars in the Indian banking system, pushing forward premiums lower, following the maturity of a Reserve Bank dollar/rupee swap transaction next week. [\(Mint\)](#)

Banking liquidity moves to surplus due to govt spending, RBI concerned

The liquidity in the banking system moved back into surplus mode on Tuesday on the back of government spending, market participants said. However, the market believes that the banking liquidity might again fall back into deficit mode as the Reserve Bank of India (RBI) is not comfortable with the surplus liquidity. The banks parked Rs 1,512 crore with the RBI on Tuesday, according to the data released by RBI. *(Business Standard)*

CPI at 5% within RBI's tolerance band: Economists says MPC will remain on pause with tight liquidity measure to manage inflation

Economists hailed India's Consumer Price Index (CPI) based inflation moderating to a three-month low of 5.02 per cent in September from 6.83 per cent in August. The higher than expected decline has put the Reserve Bank of India (RBI) in favour of not going for any rate hike for the rest of FY24 with complete divergence from US Fed, prioritising growth. *(Financial Express)*

RBI may need to use multiple price g-sec sales again for better rate transmission

The Reserve Bank of India (RBI), seeking better transmission of interest-rate increases, may need to reverse a Covid-era emergency measure to facilitate better price discovery in the government bond market - a key barometer of monetary policy signals. In July 2021, the RBI announced a return to the uniform price auction method for primary government bond sales seven years after it said that such auctions would be held via the multiple price method. *(The Economic Times)*



External Sector

No decision yet on India joining trade pillar of IPEF: Official

The government has not yet taken any decision on the issue of India joining the trade pillar of the Indo-Pacific Economic Framework (IPEF), a 14-member grouping, a senior official said. The IPEF was launched jointly by the US and other partner countries of the Indo-Pacific region on May 23 in Tokyo. The 14 IPEF partners represent 40 per cent of global GDP and 28 per cent of global goods and services trade. *(The Economic Times)*

More delay in India-UK FTA, India 'struggling to differentiate between what it needs & wants'

The much anticipated free trade agreement between India and the United Kingdom is likely to be delayed yet again owing to certain differences between the two countries, especially on the question of trade in goods and services, the Financial Times reported on Wednesday. The report, citing officials, claimed that progress has slowed in the opening up Indian markets to British professional services, including law and accountancy firms. *(The Economic Times)*

India exported 1.16 MT coal to neighbouring countries in FY23: Govt

India exported 1.163 million tonnes of coal in 2022-23 to neighbouring countries, including Nepal, Bangladesh and Bhutan, the coal ministry said on Tuesday. The coal was mainly exported to Nepal at 0.833 MT, followed by 0.245 MT to Bangladesh, 0.053 MT to Bhutan and 0.032 MT to others, according to the latest Provisional Coal Statistics for FY23. *(The Economic Times)*

US at WTO on import curbs on IT: Companies will avoid doing business with India

The US, China, South Korea and Taiwan on Monday raised concerns at India's import restriction on computers, tablets and other electronic products. At a meeting of the committee on market access at the World Trade Organization (WTO), the US said the measure prompts its firms to think twice about doing business in India and it would impact its exports while China and Taiwan sought the purpose of this policy. *(The Economic Times)*

Xi's \$1 trillion 'project of the century' faces uncertain future

As the Chinese statesman opens the third Belt and Road Forum this week, the future of his brainchild looks uncertain. While the project has drawn \$1 trillion in its first decade, according to estimates from think tank Green Finance & Development Center, the momentum has tapered off in recent years. *(The Economic Times)*

India to skip China's Belt and Road Forum for a third time

For the third consecutive time, India is set to boycott a summit of China's Belt and Road Initiative here on Tuesday to highlight its stand on the sovereignty issues in the controversial CPEC, which is being laid through the Pakistan-occupied Kashmir, and the financial viability of Beijing's projects in smaller countries, official sources here said. *(The Economic Times)*

India's high quality labour-intensive goods to get benefit from FTA with UK; though overall gains limited: GTRI

India's high quality labour-intensive goods such as apparel, footwear, carpets and cars will benefit from the removal of import duties by the UK, under the proposed free trade agreement between the two countries, according to think tank GTRI. However, the overall gains for India will be limited because most of the goods from here are already entering the UK at low or zero tariffs (import or customs duties), the Global Trade Research Initiative (GTRI) said. *(The Economic Times)*

After export ban, rice smuggling booms along Indo-Nepal border

Young unemployed men, women and sometimes even the elderly act as carriers for local smugglers and are paid up to Rs 300 for delivering a quintal of rice to warehouses set up across the border by Nepali traders. *(The Economic Times)*

Why is India edgy about Israel's war? The threats that loom over India

The possibility of Israel-Hamas conflict dragging in many other countries is spooking the economy since any trouble in West Asia will have an immediate impact on oil supply, a frightening prospect after another geopolitical crisis, the Russia-Ukraine war, rattled the world last year disrupting energy and food trade. Given that the global economy is not in good health and the threat of recession looms in the US, the conflict poses a serious threat. How exactly will India be hit by the conflict? It seems a contained conflict that does not last long will not upset India in any significant manner but a longer conflict can destabilise India's economy. *(The Economic Times)*

Sept goods exports dip 2.6%, growth seen in H2

India's merchandise exports fell 2.6% year on year to \$34.5 billion in September even as the government revised upwards the export growth in August to 3.88% from a 6.8% contraction reported earlier. *(The Economic Times)*



Agriculture and Rural Economy

Agri Ministry invites EoI from start-ups for collaborative innovation in nine key areas

Agriculture Ministry has invited expression of interest (EoI) by November 7 from start ups/companies to work with the government for leveraging their innovations in nine specific areas such as weather-based information products and services, crop yield estimation and weather-pest modelling. *(BusinessLine)*

As rice procurement begins, Govt buys 6% more till Oct 15

Total purchases have registered a 6 per cent growth, which experts have attributed to the early start to harvest this year. According to official data, rice procurement was 37.58 lakh tonnes (lt) as of October 15, up 5.9 per cent from 35.48 lt a year ago. *(BusinessLine)*

Why India needs GM mustard

Against the general perception that GM mustard is a Trojan horse that will open the doors for more herbicide-tolerant crops and pesticide companies, it in fact promises to enhance crop yield and secure the income of its cultivators. *(BusinessLine)*

India extends curbs on sugar exports to calm domestic prices

India's curb on exports would be likely to increase benchmark prices in New York and London, where markets are already trading around multi-year highs, triggering fears of further inflation in food prices globally. *(The Hindu)*

Consensus eludes cotton subsidies

As per the rules, most developing countries can provide support only up to a maximum limit of 10 per cent of their total value of cotton production. If the limit is breached, their policies can be challenged at the WTO. Whereas this limit is not applicable for the developed countries. *(BusinessLine)*

The pitfalls of MSP

Two related developments linked to farm support prices took place recently — one, the introduction of Andhra Pradesh Farmer's Produce Support Price Act 2023, and the other, a potential breakthrough on the contentious issue of permanent solution for public stock-holding subsidies at the WTO. Farmers have for long demanded MSP to be made legally binding. *(BusinessLine)*

Centre may raise rabi crop MSP by 2-7% for 2024-25 marketing season

With Lok Sabha and state assembly polls approaching, the Centre could raise the minimum support price (MSP) of six rabi crops, with hikes ranging from 2 per cent to 7 per cent, for the 2024-25 marketing season. *(Business Standard)*

Horticulture output rises to 351.92 mn tonne in 2022-23: Govt data

India's horticulture production is estimated to have risen annually by 1.37 per cent to 351.92 million tonne in 2022-23 due to better productivity, according to government data. Ministry of Agriculture and Farmers Welfare released the second advance estimates of the area and production of various horticultural crops for the year 2022-23. *(Business Standard)*

Govt unlikely to permit additional sugar exports this year due to slight fall in production

The food ministry has allowed 6 million tonnes of sugar exports for the current 2022-23 marketing year (October-September). Out of which, about 4 million tonnes have been exported so far, as per the trade report. *(The Economic Times)*

Rural workers' earnings grew at quickest pace in 5 years in Q1: Survey

The monthly earnings of regular workers in rural areas grew sharply by 11.6% year-on-year in the April-June quarter of the current financial year, the fastest rate in at least five years. While this was revealed by the latest periodic labour force survey (PLFS) annual report, the unemployment rate in rural India in 2022-23 (July-June) was also the lowest in five years at 2.4%. *(Financial Express)*

Current market trends and projections for farmland values in India for investment

Investing in an agricultural land not only prevents you from spending all that money but also gives you the choice to use the land for a variety of purposes in the future, within the confines of the law. *(Financial Express)*



Industry, Manufacturing, Services and Technology

Ahead of festive season, Coal India's supply to power plants rises 6% in October

State-owned Coal India (CIL) on October 16 said its supply of fossil fuel to the country's coal-fired power plants increased by 6% to 23.5 million tonnes (MT) in the first half of October, ahead of the festive season. It was 22.2 MT during the same time last year. *(The Hindu)*

NCLT approves Tata Steel Long Products' amalgamation with Tata Steel

Tata Steel Long Products Ltd on Thursday said the National Company Law Tribunal (NCLT) has approved the amalgamation of the company with Tata Steel Ltd. Tata Steel is to merge Tata Steel Long Products and six other subsidiaries with itself. In a regulatory filing, Tata Steel Long Products said the NCLT's Cuttack bench, on October 18, sanctioned the scheme of amalgamation of the company with Tata Steel. *(Business Standard)*

Leading Indian bedlinens exporter looks to diversify product range

Indo Count Industries, a leading manufacturer of bedlinens with 98% of its revenue coming from exports, says it is looking to diversify its product range to include fashion, utility, and institutional beddings in the next three to four years and attempt to generate 30% of its revenue from these products. *(The Hindu)*

THDCIL, IIT-Delhi ink MoU to further research in green hydrogen, recycling, EVs

THDC India Limited (THDCIL) and IIT Delhi have signed an agreement to collaborate on research and development activities related to electric vehicle batteries, green hydrogen, geothermal technology, and waste management and recycling. The partnership will involve research studies, pilot projects, and consulting engagements led by faculty members. *(The Economic Times)*

Two-wheeler sales may increase twofold in nine years

According to a report by Crisil, two-wheeler sales in India are expected to see significant growth between 2023 and 2028, with a compound annual growth rate (CAGR) of 9% to 11%. This would result in a total of 25.9 million to 26.1 million units sold during this period. The report also predicts that sales will almost double by FY32, reaching 30.7-30.9 million units. The growth is attributed to factors such as improving income levels, customer sentiments, and the increasing need for personal mobile *(The Economic Times)*

India smartphone market fell 3% in Q3, but gradual recovery seen: Canalis

The smartphone market in India saw a gradual recovery in the quarter ended September 2023, with 43 million shipments. Samsung remained the top brand with a market share of 18%, followed by Xiaomi in second place. Vivo dropped to third place, while Realme and Oppo finished fourth and fifth respectively. The market saw a surge in demand for budget-friendly 5G options, with brands like Xiaomi and Realme performing well. *(The Economic Times)*



News on Kerala

Public sector in India should build more R&D capacity

The public sector in countries like India should build more capacity in research and development as this would help to evolve effective public policies, Charles Edquist of Lund University, Sweden, said on Saturday. Prof. Edquist was speaking on 'Innovation systems for a knowledge economy in India' on the final day of the 20th international conference of the Global Network of Economics of Learning, Innovation and Competence-building Systems (Globelics) at the Gulati Institute of Finance and Taxation (GIFT). *(The Hindu)*

Researchers develop in vitro method to increase medicinal property of 'King of Bitters'

Researchers at Sanatana Dharma (SD) College, Alappuzha, have developed an in vitro method to increase the natural presence of andrographolide, a chemical compound found in the Creat (Kiriya) plant (*Andrographis paniculata*) that has significant commercial value because of its medicinal properties. The plant, known as "Kalmegh" or "King of Bitters", is used as a traditional herbal medicine in India and other South Asian countries for the treatment of fever, common cold, diarrhoea, and upper respiratory tract infections and as an antidote to snake and insect poison. *(The Hindu)*

Malayalam varsity, SIEP sign pact to develop language.

The Thunchath Ezhuthachan Malayalam University and the State Institute of Encyclopaedic Publications (SIEP) have signed a Memorandum of Understanding for the development of Malayalam as a language to impart knowledge to the people, Higher Education Minister R. Bindu has said. *(The Hindu)*

Vizhinjam port on maritime map with berthing of first ship.

With just two short blasts of faint sirens, *Zhen Hua 15*, the first ship to call at the Vizhinjam International Seaport, scripted a new chapter in the maritime history of Kerala on Sunday. A rousing reception was accorded as the vessel carrying container-handling cranes to the under-construction port berthed in the presence of a host of dignitaries and a 5,000-odd crowd. *(The Hindu)*

‘Paddy purchase will not be entrusted to coop. societies’.

Food and Civil Supplies Minister G.R. Anil has refuted reports that the government intended to entrust Supplyco’s responsibility of paddy procurement to cooperative societies. The government, however, has been actively considering roping in cooperative banks for a mechanism that ensured speedy disbursal of farmers’ dues immediately after harvest, he said in a statement. *(The Hindu)*

Australian delegation signs MoU with State.

A delegation from Australia’s Northern Territory led by Deputy Chief Minister Nicole Manison visited Kerala and signed a Memorandum of Understanding (MoU) between the Northern Territory and Kerala governments for increased cooperation between the two regions. A statement issued by the Australian Consulate-General, Chennai, on Monday said the visit reinforced the importance of Kerala to the Australia-India bilateral relationship. *(The Hindu)*

‘Millet Cafes’ to come up in every district of State.

With the spotlight on millets this year (2023), the Kerala Agriculture department has decided to open ‘Millet Cafes’ in a bid to popularise millets and millet-based products. The cafes would be opened in every district in a phased manner, Kerala Agriculture Minister P. Prasad told *The Hindu* on Monday. Kerala’s first Millet Cafe, a Kudumbashree initiative, was opened in Attappady, Palakkad, in 2022. *(The Hindu)*

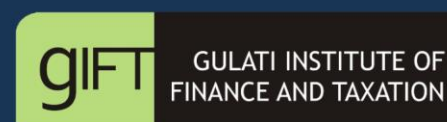
Centre of Excellence in Microbiome to be set up in State

A Centre of Excellence in Microbiome will be set up in Kerala under the Kerala State Council for Science Technology and Environment, with the support and participation of Rajiv Gandhi Centre for Biotechnology. The State Cabinet took the decision to grant administrative sanction for this project on Wednesday, accepting the detailed project report submitted by the Kerala Development Innovation and Strategic Council. *(The Hindu)*

Revenue dept. takes over 229.76 acres in Idukki

A task force formed by the State government to oversee the removal of encroachments in Munnar and other parts of Idukki district launched the drive on Thursday, by removing a total of 229.76 acres of land under Devikulam and Udumbanchola taluks. According to officials, the revenue officials took over 224.21 acres of land and buildings at Anaviratty village under the Devikulam taluk. *(The Hindu)*

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