



Public Finance

Centre sticks to target, to borrow Rs 6.55 lakh crore in H2

The Indian government plans to borrow ₹6.55 lakh crore in the second half of the financial year, remaining on track with its budget estimate. The borrowing will include a new 50-year security for the first time, and ₹20,000 crore will be raised through sovereign green bonds. Analysts believe this adherence to borrowing plans demonstrates fiscal prudence and should calm market nerves. (*The Economic Times*)

Centre introduces 50-year bond to meet life insurance companies' demand

The central government has introduced a new dated security of 50-year tenor in its borrowing calendar for the second half of the current financial year—a long-standing demand by life insurance companies, particularly Life Insurance Corporation of India. "In response to market demand for ultra-long duration securities, it has been decided to introduce a new dated security of 50-year tenor," the Reserve Bank of India (RBI) said while issuing the borrowing calendar for the second half of the financial year. (*Business Standard*)

As many as 412 infra projects show cost overruns of Rs 4.77 lakh crore in Aug: Official report

As many as 412 infrastructure projects, each entailing an investment of Rs 150 crore or more, have been hit by cost overruns of more than Rs 4.77 lakh crore in August this year, an official report said. According to the Ministry of Statistics and Programme Implementation, which monitors infrastructure projects worth Rs 150 crore and above, out of 1,762 projects, 412 reported cost overruns and as many as 830 projects were delayed. (*The Economic Times*)



Taxation

Angel tax: FinMin notifies valuation methods and guidelines for investors

The Finance Ministry has notified final rules outlining valuation methods for non-resident and resident investors under the new angel tax mechanism in the Finance Act 2023. Besides the rules mentioned in the draft issued in May, the notification has introduced an additional sub-clause addressing Compulsorily Convertible Preference Shares (CCPS). (*BusinessLine*)

Government exempts IGST on ocean freight from October 1

The government has exempted payments made for goods imported through ocean freight from 5 per integrated GST with effect from October 1. The Finance Ministry has notified changes to the IGST Act with regard to payment of integrated GST on 'ocean freight' on imported goods with effect from October 1. (*The Economic Times*)

International credit card spending to remain outside LRS

The notification on spending through International Credit Card abroad as a part of LRS (Liberalised Remittance Scheme) issued by the Finance Ministry will continue to be in abeyance, a senior official of the ministry said. Meanwhile, the newly-introduced Tax Collected at Source (TCS) mechanism for Liberalised Remittance Scheme (LRS) is scheduled to be implemented from October 1. *(BusinessLine)*

Show cause notices to e-gaming cos as per legal provisions, GST demand based on data analysis: CBIC chief

E-gaming companies have been issued show cause notices for alleged GST evasion as per legal provisions, the head of Central Board of Indirect Taxes and Customs (CBIC) Sanjay Kumar Agarwal said, adding that the tax demanded is based on analysis of data. He also said that the government is fully prepared to implement from October 1 the amended provisions for levying a 28 per cent tax on online gaming, casinos and horse racing along with mandatory registration of offshore online gaming platforms. *(The Hindu)*

India wants to charge its own carbon tax on the lines of CBAM from exporters

India is mulling its own carbon tax, on the lines of the European Union's proposed Carbon Border Adjustment Mechanism (CBAM) principles, especially for exports to the European nations. Under these taxation norms, India will collect the tax proceeds itself instead of sharing it with the EU. It was proposed that Indian officials will selectively levy or charge the tax "applicable only on EU exports affected by CBAM". *(BusinessLine)*

70.9 million returns filed till Sept 23: I-T Dept

A total of 70.9 million income tax returns (ITR) have been filed for the income earned in FY23 (assessment year FY24). Of these, 69.6 million ITRs have been verified, of which 64.6 million returns have been processed as on date (September 23), including 27.5 million refund returns, the Income Tax department said *(Financial Express)*

Key States yet to amend SGST law on online money gaming

Delhi, Punjab, Tamil Nadu and Telangana are yet to initiate the process for amending SGST (States Goods & Services and Tax) laws for implementing a uniform 28 per cent GST on online money gaming, casinos and horse racing with effect from October 1. *(BusinessLine)*



National Accounts and State of the Economy

Finance Ministry deems 6.5% GDP growth estimate for FY24 'comfortable' amid risks

A Finance Ministry report terms a 6.5 percent GDP growth estimate for FY24 with symmetric risks as 'comfortable'. This remark has come at a time when many agencies have revised the growth estimate. S&P Global Market Intelligence has revised India's growth forecast for FY24 to 6.6 percent due to strong growth in the April-June quarter, up from the 5.9 percent projected in August. *(BusinessLine)*

S&P Global Ratings retains India's GDP forecast at 6% for FY 24

S&P Global Ratings on Monday retained India's growth forecast for FY24 at 6 percent on the back of good growth in the April-June quarter. However, this is lower than all the

recent revised forecasts and RBI's estimate of 6.5 percent. The agency has upped its inflation forecast for India by 50 basis points. S&P Global Ratings has estimated that India will grow at 6.9 percent, 6.9 percent, and 7 percent during FY25, FY26, and FY27, respectively. *(BusinessLine)*

6.6 million frontline jobs created in FY23, women's participation ratio doubled in a year: Report

Companies in India created about 6.6 million frontline jobs in the fiscal year ended March 2023, according to the Frontline Index Report 2023 from Better Place, a leading tech platform for frontline workforce management in the country. The total demand for frontline jobs decreased by 17.5 percent in FY23 to 6.6 million compared to 8.8 million in the year-ago period. The logistics and mobility sector has replaced e-commerce as the highest employment industry for frontline workers in FY23. *(BusinessLine)*



Banking and Monetary Policy

Credit growth may moderate to 13-13.5 pc this fiscal: Report

Credit growth in India is expected to moderate to 13-13.5% this fiscal year, but improve slightly to 13.5-14% next year as the economy picks up pace, according to a report by Crisil Ratings. The moderation in credit growth is driven by low demand in wholesale credit, which constitutes 60% of overall credit. *(The Economic Times)*

Encourage non-bank ATMs to boost financial inclusion, say experts

India has about 2.5 to 2.6 lakh ATMs - too small a number for a country of India's size, said Sudhakar Kaza, former Principal Chief General Manager, RBI. Highlighting the low-penetration of Automated Teller Machines (ATMs) in India, experts participating on a webinar on financial inclusion suggested that the Reserve Bank of India (RBI) invite more non-banking companies (also called White Label ATM Operators) to set up ATMs focusing on rural areas to expand financial inclusion *(BusinessLine)*.

Review of digital banking units' progress soon

The government wants lenders to use DBUs to push its latest schemes, including PM Vishwakarma, where it offers collateral-free loans at concessional rates to artisans and craftsmen. "The Reserve Bank of India has also asked banks to submit feedback on DBUs. We will be working together with all stakeholders to further push the use of DBUs in digital financial inclusion," said an official aware of the developments, adding that there are almost 100 DBUs functioning all across the country *(The Economic Times)*

Government approves one-year extension to RBI Deputy Governor Rajeshwar Rao

M Rajeshwar Rao was appointed as the RBI Deputy Governor in October 2020 for a period of three years Rao was elevated as the RBI executive director in November 2016. An economics graduate and a Master of Business Administration from the University of Cochin, Rao joined the central bank in 1984 *(Mint)*.

UPI transactions surged to 9.3 billion in June 2023, driven by P2M

The United Payments Interface (UPI) transactions in India surged by 62% in the first half of 2023 compared to the same period last year. The UPI transactions reached 9.3 billion

in June 2023, up from 151 million in January 2018, primarily driven by the growth in Person-to-Merchant (P2M) transactions (*Mint*).

Banks' non-food credit growth decelerates to 15% y-o-y in August 2023: RBI

Scheduled commercial banks' (SCBs) non-food credit growth declined to 15.0 per cent year-on-year (y-o-y) in August 2023 as compared with 16.0 per cent a year ago due to deceleration in credit demand from industry and personal loans. According to RBI's data on sectoral deployment of bank credit, credit to industry registered a lower growth of 6.1 per cent y-o-y in August 2023 as compared with 11.4 per cent in August 2022. (*BusinessLine*)

Finance Minister Sitharaman meets G20 expert group on strengthening of MDBs

MDBs need to provide an additional USD 260 billion annually to fund sustainable infrastructure and help nations achieve SDG targets, the group said in its Vol 1 report. Additional spending of some USD 3 trillion per year is needed by 2030, of which USD 1.8 trillion represents additional investments in climate action, mostly in sustainable infrastructure, and USD 1.2 trillion in additional spending to attain other sustainable development goals (SDGs), it said. (*Business Standard*)

RBI raises concern over high bad loan ratio in urban cooperative banks

The Reserve Bank of India has raised concerns over the high bad loan ratio in urban cooperative banks and laid down an eight-point charter including governance standard for their improvement. The governor said that even as UCBs have their cumulative non-performing assets ratio improved to 8.7%, this is "not a comfortable number". The banking sector gross NPA has eased to a decadal low of 3.9% at the end of March. (*The Economic Times*)

Credit card spending surges to record in India in sign of stress

Credit card spending by Indians surged to a record high, raising concerns of potential defaults as indebted households stepped up their borrowing spree ahead of the festive season that kicked off this month. The amount transacted through cards rose to an all-time high of 1.48 trillion rupees (\$17.8 billion) in August, up from July's 1.45 trillion rupees, according to the latest data by the Reserve Bank of India. The spending binge is in line with rising indebtedness and falling savings among Indians and may point to growing stress as incomes stagnate. (*Financial Express*)



External Sector

India's current account deficit widens sequentially on higher trade deficit

India's current account deficit (CAD) widened to \$9.2 billion in Q1FY24, equivalent to 1.1% of GDP on a sequential basis. Yet it narrowed on a YoY basis, compared to \$17.9 billion in Q1FY23. India's foreign exchange reserves increased by \$24.4 billion, and net foreign direct investment decreased to \$5.1 billion. (*The Economic Times*)

Canada's lentil sales to India slow after Trudeau's allegations

Canadian lentil sales to India have slowed since Canadian Prime Minister Justin Trudeau said last week he suspected India of involvement in an assassination on Canadian soil,

fearing reprisal from New Delhi that could limit trade, industry sources in both countries say. *(The Hindu)*

US issues 'ONE MILLION' visas to Indians in 2023, US Embassy says 'surpassed our goal'

US Ambassador to India on Thursday informed that they have officially processed a million visa applications to Indians this year and ensured to work toward easing the visa backlog further. *(Mint)*

India's export of cut, polished diamonds may fall by 22% in FY24 on sluggish demand: Ica

India's export of cut and polished diamonds is projected to decline by 22% to \$17.2 billion in the current fiscal due to weakened demand from the key consuming nations, according to rating agency Ica. *(The Hindu)*

India-Canada row: 'We support India,' says Sri Lankan envoy Milinda Moragoda on Canada's allegations

Outgoing Sri Lankan High Commissioner to India, Milinda Moragoda, has indicated that India's reaction to allegations from Canada has been resolute and straightforward. Furthermore, Colombo is expressing its support for New Delhi concerning this issue. *(Mint)*

CDIL becomes first Indian firm to produce Silicon Carbide components; starts exports to China, US

While speaking on the sidelines of the launch of the company's new surface mount semiconductor packaging line, CDIL Executive President and Chief Operating Officer Pankaj Gulati told PTI that the company has started exporting Silicon Carbide (SiC) components to China, the US, Europe and Australia. *(The Economic Times)*

'India-US are natural partners amid global challenges,' says JP Morgan Chase CEO Jamie Dimon: Report

JPMorgan Chase CEO Jamie Dimon said that India and America are natural partners amid global challenges. Speaking to CNBC-TV18, Dimon said that India and the United States are emerging as natural partners amid the global changes. *(Mint)*

'Country with one of the world's worst human rights records': India's sharp dig at Pakistan on Kashmir at UNGA

India has hit out at Pakistan after the country's caretaker Prime Minister Anwaarul Haq Kakar predictably raised the Kashmir topic in his speech at the United Nations General Assembly. *(Mint)*

India-China power play dominates Maldives runoff vote

The Maldives votes in a presidential runoff on Saturday that could drastically rebalance its relations with India and China, two regional giants competing for influence in the geopolitical hotspot. *(The Economic Times)*

Israeli PM Netanyahu on India-Middle East-Europe Economic Corridor: 'Largest cooperation project'

Hailing the announcement of the ambitious India-Middle East-Europe Economic Corridor (IMEC) as a "major news" for Israelis, Prime Minister Benjamin Netanyahu has said the

"largest cooperation project in our history" will change the face of the Middle East, Israel, and will benefit the entire world. *(The Economic Times)*



Agriculture and Rural Economy

Kharif area tops 1,100 lakh hectares but yield, output concerns remain

India's kharif sowing has topped 1,100 lakh hectares (lh) as of September 22 with the area under rice, maize, soyabean and sugarcane helping in higher coverage. However, concerns over yield and actual production remain with harvest a couple of weeks away. The Centre's fight against inflation will depend on how it tackles the drop in the acreage of pulses, key nutri-cereal jowar and oilseeds such as groundnut. *(BusinessLine)*

Crop output estimates leave much to be desired

Last week, Finance Minister Nirmala Sitharaman emphatically called for a real-time assessment of yields of essential crops, particularly pulses and oilseeds which India often needs to import. She rightly observed that such data is essential for timely, calibrated and appropriate decisions on imports, so that farmers are not hit by a sudden influx of imports coinciding with their crop harvest. *(BusinessLine)*

Govt aims 60% of wheat area under climate resilient varieties in rabi season amid El Nino fear

Ahead of rabi sowing from next month, the Centre on Tuesday said it targets to bring 60 per cent of the total wheat area of 30 million hectare under the climate-resistant varieties amid strong El Nino conditions. Faced with a heatwave in 2021, the government encouraged farmers in 2022 to go for heat-tolerant wheat varieties in 47 per cent of the total wheat acreage of 30 million hectares. *(The Economic Times)*

MGNREGS social audit unit in a state of paralysis in many States

As per the statistics available with the Union Rural Development Ministry in the ongoing financial year, less than 14% of the amount flagged by the auditors has been recovered so far. The figures for the previous financial years are equally dismal. In the ongoing financial year, the social audit units have flagged misappropriation to the tune of ₹27.5 crore. *(The Hindu)*

Availability of seeds for rabi season 20.7% more than requirement: Agri Min

The availability of seeds for sowing in the 2023-24 rabi (winter) season for crops like wheat is estimated to be 159.03 lakh quintal, 20.70 per cent higher than the country's overall requirement, according to agriculture ministry data. The overall seeds requirement is estimated to be 131.75 lakh quintal for the 2023-24 rabi season. *(Business Standard)*

Rabi foodgrains target at 161 mt

The government on Tuesday set rabi foodgrains production target at 161.2 million tonnes (mt). The national target for total food grains production for the 2023-24 (July-June) crop year is 332 mt. *(Mint)*

Centre likely to lower basmati MEP, tightens stock limits on tur and urad

The Centre may look to ease some of the curbs imposed on basmati rice exports in a bid to help farmers. This comes even as it tightened the stock limits on tur and urad just in time of their harvest and showed an inclination to release more wheat in the open market to tame inflation. *(Business Standard)*

MS Swaminathan, father of India's Green Revolution, passes away in Chennai

Mankombu Sambasivan Swaminathan aka MS Swaminathan, world renowned agronomist, agricultural scientist and plant geneticist, is no more. He passed away at 11.20 am in Chennai at the age of 98. *(BusinessLine)*

Crop insurance scheme PMFBY to touch an all time high this fiscal

Enrollment in India's crop insurance scheme, Pradhan Mantri Fasal Bima Yojana (PMFBY), is expected to increase by 23% this fiscal year, reaching a record high of 37.5-40.0 million farmers. *(The Economic Times)*



Industry, Manufacturing, Services and Technology

Metro rail, buses capital-intensive, cannot be offered free: Hardeep Singh Puri

Union Minister for Housing and Urban Affairs, Hardeep Singh Puri, said on Wednesday that while certain political parties advocate for free public transport such as metro rail and buses, it is not economically viable to offer these services entirely cost-free to the public as these are capital-intensive schemes. *(The Economic Times)*

National Highways to be pothole free by December this year: Nitin Gadkari

The ministry of road transport and highways plans to shift from engineering, procurement and construction (EPF) model to build-operate-transfer (BOT) model and the hybrid annuity model (HAM) for government projects as the maintenance responsibility lies with the contractor in BOT mode. However, this will be applicable for projects above Rs 500 crore while the EPC mode will continue for construction of small patches. *(The Economic Times)*

India mulls annual audit of raw material suppliers by drugmakers

India is considering making it mandatory for drugmakers to audit their raw material suppliers, at least once a year. *(The Hindu)*

World Coffee Conference will give Indian coffee its due recognition: Coffee Board CEO K G Jagadeesha

The World Coffee Conference-2023 in Bengaluru aims to give India recognition for its high-quality, sustainable coffee production, according to the CEO of the Coffee Board of India, K G Jagadeesha. He expressed optimism that the conference would help Indian coffee gain an identity and build a better perception among consumers, leading to higher prices. *(The Economic Times)*

Mukesh Ambani's JioCinema to appoint former Google manager Kiran Mani as CEO

JioCinema plans to appoint former Google general manager Kiran Mani chief executive officer, leading the Indian streaming TV service's effort to broaden its reach among mobile customers, according to people familiar with the move. *(Business Standard)*

Two-wheeler majors TVS, Bajaj Auto close the gap with startups in EV game

Bajaj Auto has virtually closed the gap with Ather Energy in September, notching up 6423 EV registrations compared to 6466 registrations by Ather as on Thursday. *(Business Standard)*



News on Kerala

Minister to launch Kudumbashree's Back to School campaign on Sunday

Minister for Local Self-government M.B. Rajesh will inaugurate 'Back to School,' a Kudumbashree campaign to provide training to 46 lakh neighbourhood group members with the goal of women empowerment, at Thrithala in Palakkad on Sunday. *(The Hindu)*

Efforts to eradicate extreme poverty progressing at a fast pace, says Kerala CM Pinarayi Vijayan

The State Government's efforts to eradicate extreme poverty by November 1, 2025, are progressing at a fast pace, Chief Minister Pinarayi Vijayan said on Wednesday. *(The Hindu)*

Entertainment tax waiver for World Cup warm-up matches at Kerala's Greenfield Stadium

Minister for Local Self-Governments M.B. Rajesh has directed the Thiruvananthapuram City Corporation to waive the entertainment tax for the ICC Cricket World Cup warm-up matches scheduled to be held at the Greenfield International Stadium at Karyavattom. *(The Hindu)*

Kerala's electricity requirement, peak demand to go up in 2024-25, says CEA

The State's annual electrical energy requirement is expected to rise to 31,999 mu (million units) and peak demand to 5424 megawatts (mw) in 2024-25, show the latest CEA projections for the coming fiscal. *(The Hindu)*

150 AYUSH centres to be upgraded to NAH standards

Steps are being taken to upgrade 150 selected Ayush Health and Wellness Centres in the Homoeopathy and Indian Systems of Medicine departments to NABH standards, a statement issued by the office of Health Minister Veena George has said. *(The Hindu)*

'Keraleeyam' to feature 25 seminars on 'Nava Kerala' theme

The 'Keraleeyam' festival planned in Thiruvananthapuram from November 1 to 7 will feature 25 seminars on the 'Nava Kerala' development trajectory of the State. *(The Hindu)*

Kerala State Electricity Board to collect 10 paise per unit as surcharge in October

The Kerala State Electricity Board (KSEB) will collect 10 paise per unit as a surcharge on power bills in October. The surcharge is meant to recover the additional spending by the KSEB on power purchases in the month of August. *(The Hindu)*

Kerala wins Arogya Manthan award for providing free medical care to maximum number of people

Kerala has once again won the Arogya Manthan award 2023, for providing free medical care to the maximum number of people, a statement issued by the office of Health Minister Veena George here has said. *(The Hindu)*

Kerala Chief Minister Pinarayi Vijayan says no need for concern as State govt. provides guarantee for investments in cooperative sector

Chief Minister Pinarayi Vijayan has said that there is no need for concern regarding potential financial loss in the cooperative sector as the State government stands as guarantee for the security of investments in the sector. *(The Hindu)*

Kerala Startup Mission plans to encourage young talents in coding

The Kerala Startup Mission (KSUM) has launched the 'Top 100 Series' challenge to identify, reward, and engage young talents in programming, product design, and product making. *(The Hindu)*

35 private industrial parks to come up in Kerala: Industries Minister

Minister for Industries P. Rajeev has said that 35-odd small private industrial parks will come up in the State by December. *(The Hindu)*

Conclave in Kerala to focus on generative AI and impact on education

The Institute of Human Resources Development, on behalf of the Higher Education department, will host a two-day international conclave on 'Generative AI and the future of education' here from Saturday. *(The Hindu)*

Kerala Educational Achievement Survey to test 3.2 lakh students

The State Educational Achievement Survey will test as many as 3.2 lakh students in 10,789 schools in Kerala. Conducted by PARAKH (Performance Assessment, Review, and Analysis of Knowledge for Holistic Development), a national assessment centre set up under the National Council of Educational Research and Training (NCERT), the survey that will be held on November 3 will test students' learning competencies in Classes III, VI, and IX. *(The Hindu)*

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