



October 21, 2022 – Friday

## Economy

### Retail inflation for farm, rural labour increases further in September

Retail inflation for agricultural workers and rural labour inched towards the 8 per cent mark in September, largely due to high food prices. Consumer Price Index Number for Agricultural Labourers (CPI-AL) rose to 7.69 per cent and Rural Labourers (CPI-RL) to 7.9 per cent in September 2022 compared to 6.94 per cent and 7.26 per cent, respectively in August. It was much lower at 2.89 per cent and 3.16 per cent, respectively in September 2021. Similarly, food inflation stood at 7.47 per cent for farm workers in September 2022 as against 6.16 per cent in August this year and 0.5 per cent in September 2021. For rural labour, food inflation increased to 7.52 per cent in September from 6.21 per cent in August and 0.7 per cent in September 2021.

<https://www.thehindubusinessline.com/economy/retail-inflation-for-farm-rural-labour-increases-further-in-september/article66036580.ece>

### India suffered income loss of \$159 bn due to extreme heat in 2021: Report

India suffered an income loss of USD 159 billion, 5.4 per cent of its gross domestic product, in the service, manufacturing, agriculture, and construction sectors due to extreme heat in 2021, according to a new report. Heat exposure in the country led to the loss of 167 billion potential labour hours, a 39 per cent increase from 1990-1999, said the Climate Transparency Report 2022 compiled by an international partnership of organisations. Labour productivity in India is projected to decline by five per cent from the 1986-2006 reference period if global temperatures increase by 1.5 degrees Celsius, it said. The decline in labour productivity will be 2.1 times more if the global temperatures increase by 2.5 degrees Celsius, and 2.7 times at a three degree Celsius scenario.

[https://www.business-standard.com/article/economy-policy/india-suffered-income-loss-of-159-bn-due-to-extreme-heat-in-2021-report-122102000851\\_1.html](https://www.business-standard.com/article/economy-policy/india-suffered-income-loss-of-159-bn-due-to-extreme-heat-in-2021-report-122102000851_1.html)

### Fresh formal job creation falls below 1-million mark in August: EPFO

The number of fresh formal jobs created in August fell below the 1-million mark for the first time in five months, declining 11.9 per cent from July levels, according to the latest payroll data released by the Employees' Provident Fund Organisation on Thursday. New Employees' Provident Fund (EPF) subscribers in August saw a sharp decline to 986,850, from 1,119,698 in July. Enrolment of new female subscribers fell faster (12.5 per cent) than their male counterparts (11.6 per cent) in August, compared with the previous month. According to the data released by the Centre for Monitoring Indian Economy (CMIE) — which conducts its own survey — India did not do very well on the employment front in August.

[https://www.business-standard.com/article/economy-policy/fresh-formal-job-creation-falls-below-1-million-mark-in-august-epfo-122102001234\\_1.html](https://www.business-standard.com/article/economy-policy/fresh-formal-job-creation-falls-below-1-million-mark-in-august-epfo-122102001234_1.html)

## Banking and Finance

### June quarter loan demand exceeded pre-pandemic levels: Report

Loan demand in the June quarter exceeded the pre-pandemic levels, a credit information company said on Thursday. In its Credit Market Indicator (CMI) report, Transunion Cibil said there was also a corresponding increase in new

accounts opened. The CMI reached 99 in June 2022, a level last seen in December 2019 before the pandemic hit the world. The company said its CMI is a comprehensive measure of data elements that are summarised monthly to analyse changes in credit market health, and categorised under four pillars of demand, supply, consumer behaviour, and performance.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/june-quarter-loan-demand-exceeded-pre-pandemic-levels-report/articleshow/94995358.cms>

#### **PSBs asked to set up one national helpline**

The government has asked state-owned lenders to set up a "single national helpline" to facilitate expeditious redressal of consumer grievances. "The helpline number will be preferably of three or four digits, so that in case of need customers dial the given number to reach out to their banks and respective branches or departments by way of a hub-and-spoke model," said a government official, who did not wish to be identified. Preliminary work has begun on the proposal, which was discussed with the banks in September, said the official.

<https://economictimes.indiatimes.com/news/india/psbs-asked-to-set-up-one-national-helpline/articleshow/94996347.cms>

#### **CBIC, Finance Ministry working together to ensure faster release of export cargoes**

India's finance ministry is reportedly working with the Central Board of Indirect Taxes and Customs (CBIC) to integrate Customs systems to ensure faster clearance. CBIC Chairman Vivek Johri said the department is working on web registration of exports, which would reduce the average release time of consignments/cargoes from ports and airports. "You are familiar with single window in import side. We are trying to introduce something similar in the export side. There are export consignments that require regulatory intervention, say drug controller, other agencies," Johri said.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/cbic-finance-ministry-working-together-to-ensure-faster-release-of-export-cargoes/articleshow/94990956.cms>

#### **EPFO adds 1.69 mn new subscribers in August, a 14.4% rise YoY**

Retirement fund body EPFO net added 16.94 lakh new subscribers in August 2022, registering a 14.4 per cent rise as compared to the year-ago period, according to official data. The provisional payroll data of the Employees' Provident Fund Organisation (EPFO) released on Thursday highlighted that of the total 16.94 lakh members added during August 2022, around 9.87 lakh have come under the ambit of the EPFO for the first time. Out of the 9.87 lakh new members added, approximately 58.32 per cent are from the age-group of 18-25 years.

[https://www.business-standard.com/article/companies/epfo-adds-1-69-mn-new-subscribers-in-august-a-14-4-rise-yoy-122102001041\\_1.html](https://www.business-standard.com/article/companies/epfo-adds-1-69-mn-new-subscribers-in-august-a-14-4-rise-yoy-122102001041_1.html)

### **Industry**

#### **Passenger vehicles' demand sees uptick this festive season: Survey**

There is an uptick in the demand for passenger vehicles this festive season, with preference leaning towards sports utility vehicles (SUVs) and hybrid models, according to Grant Thornton Bharat's auto survey. "With a 34 per cent year-on-year growth in vehicle sales in H1FY23, the passenger vehicle industry is gradually resurging from the pandemic. Ease in supply chain, a marked improvement in demand propelled by post pandemic festive sentiment and need for personal mobility are driving the sector as per our survey findings," Grant Thornton Bharat Partner and National Sector Leader (Auto) Saket Mehra said. There is also an increased affinity towards electric and hybrid vehicles, suggesting that the industry is on the cusp of disruption, led by EVs and alternative fuel sources, he added. As per the survey findings on the kind of vehicles people plan to buy, SUVs topped the charts with 31 per cent, followed by compact cars at 28 per cent. There has been a five times growth in preference for SUVs compared with last year, it said.

<https://economictimes.indiatimes.com/industry/auto/auto-news/passenger-vehicles-demand-sees-uptick-this-festive-season-survey/articleshow/94993779.cms>

#### **Steel prices fall 40 pc in last six months to Rs 57,000/ton: SteelMint**

Steel prices fell about 40 per cent to Rs 57,000 a tonne in the domestic market over the last six months on subdued export orders in the wake of the 15 per cent export levy, according to SteelMint. In early 2022, the prices of hot rolled coil (HRC) started showing an upward trend. It had become a matter of concern for the user industries as movements in steel prices have a direct impact on industries like real estate and housing, infrastructure and construction, automobile and consumer goods. The steel prices in the domestic market peaked at Rs 78,800 per tonne in April. After 18 per cent GST levy, the price was about Rs 93,000 per tonne, the research firm said. The prices started to fall from April-end and came down to Rs 60,200 per tonne towards the end of June, according to SteelMint data. It continued to fall in July and August and came down to Rs 57,000 per tonne by mid-September.

<https://www.financialexpress.com/industry/steel-prices-fall-40-pc-in-last-six-months-to-rs-57000ton-steelmint/2722193/>

#### **Open innovation models in tech driving rapid solutioning, business growth: Nasscom report**

Innovation is a key factor in charting out the growth trajectory for India's technology sector, and open innovation programmes are increasingly being included in agendas to drive business growth, according to industry body Nasscom's report. The report mooted key measures to develop a strong open innovation ecosystem in the country. The suggestions include the creation of a single platform for all innovation programmes, a national repository of startups, the establishment of more ecosystem enablers, the creation of open innovation marketplace, dedicated incubation /acceleration programmes, joint open innovation programmes with other nations and incentivising key programmes for startups and corporates. Indian enterprises and startups are increasingly leveraging external knowledge and ecosystem for their innovation management strategies said the new report by the National Association of Software and Services Companies (NASSCOM) in partnership with Aventure Advisors.

<https://www.financialexpress.com/industry/technology/open-innovation-models-in-tech-driving-rapid-solutioning-business-growth-nasscom-report/2722428/>

### **Agriculture**

#### **No unseasonal rain threat to onion prices, enough buffer stock, says govt**

The govt on Thursday ruled out a rise in onion prices in coming weeks. While unseasonal rains may have some minor impact on kharif onion output, India has enough buffer stocks to meet any resultant shortfall, it said. "Prices of onion and pulses will not rise till December because we have enough buffer stock available with us," Consumer Affairs Secretary Rohit Kumar Singh said. Not just onion, prices of pulses are also likely to remain stable till December, PTI reported quoting Singh. 45 per cent of onion production happens during kharif (summer) season. The rest — 65 per cent — is produced in the rabi (winter) season.

<https://economictimes.indiatimes.com/news/economy/agriculture/no-unseasonal-rain-threat-to-onion-prices-enough-buffer-stock-says-govt/articleshow/94994177.cms>

### **Infrastructure**

#### **Nearly 56% of dedicated freight corridors complete**

As much as 56% of the dedicated freight corridors have been commissioned, according to the latest progress report on the crucial railway lines. Also, more than 99% of the land required for the eastern and western corridors of the project has been acquired, said RK Jain, managing director of Dedicated Freight Corridor Corporation of India (DFCCIL). "Only small patches of land on the Vaitrana-Mumbai link need to be cleared to complete the entire land acquisition for the existing freight corridors," Jain told ET, adding that this was the only section where commissioning would spill over to 2024.

<https://economictimes.indiatimes.com/industry/transportation/railways/nearly-56-of-dedicated-freight-corridors-complete/articleshow/94996430.cms>

#### **PMAY (Urban) awards: MP second in 'best performing state' category**

Madhya Pradesh has achieved second rank in the country under the 'Best Performing State' category in the Pradhan Mantri Awas Yojana Urban scheme, an official said on Thursday. He also said the state has received awards in eight categories in the 'PMAY Awards-2021: 150 Days Challenge,' the official said. State Urban Development and Housing Minister Bhupendra received the award on behalf of the state from Prime Minister Narendra Modi at the 'Indian

Urban Housing Conclave' in Rajkot in Gujarat on Wednesday. "Madhya Pradesh shared the special category award with Gujarat in Best State for Convergence, with Jharkhand and Arunachal Pradesh in Best State for Conducting Information, Education and Communication (IEC) Activity and with Uttar Pradesh and Gujarat in Best Performing State Level Technical Cell (SLTC)," the official said.

[https://www.business-standard.com/article/current-affairs/pmay-urban-awards-mp-second-in-best-performing-state-category-122102000561\\_1.html](https://www.business-standard.com/article/current-affairs/pmay-urban-awards-mp-second-in-best-performing-state-category-122102000561_1.html)

## Energy

### Saudi, India seek to energise ties with undersea cables

The Gujarat coast could soon link up to the Middle East with deep sea cables, creating a renewable energy grid as India and Saudi Arabia explore a cross-country project borne on the tide of a new era of energy diplomacy, said people with knowledge of the matter. This will be part of the discussion agenda when Saudi energy minister Prince Abdulaziz bin Salman visits New Delhi on a day-long visit on Friday to prepare the ground for Saudi Prime Minister and Crown Prince Mohammed bin Salman's trip to India next month. Taking the conversation beyond oil exports, sources in the know said both sides are likely to initiate discussions on an undersea cable for an electricity grid involving South Asia and the Gulf countries. The two are exploring the commercial viability of such a project.

<https://economictimes.indiatimes.com/news/india/saudi-india-seek-to-energise-ties-with-undersea-cables/articleshow/94998091.cms>

### Solar imports excluded from duty scheme

The government has excluded solar power projects from the list of goods that can avail of a concessional 7.5% import duty under the project imports scheme, a move criticised by solar power developers. The government said the exclusion plugged a loophole that allowed developers to bypass the 40% import duty imposed on solar projects to encourage local manufacturing. Solar power developers said the decision is a major setback to the country's solar power capacity addition plan and they might consider legal options opposing the differential treatment as only solar power plants have been excluded. "MNRE (Ministry of New and Renewable Energy) is working on measures to provide relief to the industry. It is hopeful of relief in the near future," a government official told ET.

<https://economictimes.indiatimes.com/industry/renewables/solar-imports-excluded-from-duty-scheme/articleshow/94996877.cms>

## Telecom

### Telcos seen dialling 'steady' second quarter as SUC savings aid margins; 5G updates in key focus

Telecom companies are expected to witness "steady" revenue growth in Q2FY23 with slight sequential uptick in average revenue per user albeit softer net additions, while SUC (spectrum usage charges) savings are seen lifting margins, say analysts. Amid mega 5G network deployments by telcos, market analysts will be keenly tuning in to management commentaries on pace of roll-out for next-generation services, capex outlook and markers on tariff hikes. "We expect Indian telcos to report a steady quarter with stable ARPUs and slowing net adds. Margins would be higher q-o-q as we get 45-50 days benefits of lower SUC," BofA Securities said in its Q2 earnings preview for the sector.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telcos-seen-dialling-steady-second-quarter-as-suc-savings-aid-margins-5g-updates-in-key-focus/articleshow/94990712.cms>

## States

### Tamil Nadu's gross state domestic product grew by 5.87% in FY21: CAG report

Tamil Nadu's gross state domestic product GSDP, one of the vital indicators of the state's economy, grew by 5.87 per cent during the period 2020-21 despite the contribution from industries and the services sector between 2016-17 and 2020-21 declining, a report of the Comptroller and Auditor General of India said on Thursday. The report which was tabled during the Assembly session said the GSDP grew by 5.87 per cent as compared to 2019-20 which stood at 10.25 per cent. However, the GSDP at 5.87 per cent was against the country's growth rate of a negative 2.97 per cent, the report said. As per the report, the agricultural sector in 2016-17 reported 3.83 per cent which

grew to 10.11 per cent in 2020-21 while industries sector which stood at 11.62 per cent in 2016-17 slipped to 2.90 per cent in 2020-21, the report said.

[https://www.business-standard.com/article/economy-policy/tamil-nadu-s-gsdg-grew-by-5-87-per-cent-in-fy21-says-cag-report-122102000571\\_1.html](https://www.business-standard.com/article/economy-policy/tamil-nadu-s-gsdg-grew-by-5-87-per-cent-in-fy21-says-cag-report-122102000571_1.html)

### **TN Chief Minister M K Stalin requests PM to introduce a ECLG scheme for MSMEs in the garment sector**

The Tamil Nadu government urged the Centre to release a special emergency credit line guarantee scheme to the micro, small and medium enterprises (MSMEs) involved in the garment business because of the severe stress the sector is under, said the report from PTI. MSMEs in Tiruppur constitute 95 per cent of the exporting clusters and orders for the summer season have declined by around 40 per cent as compared to the last year, Tamil Nadu's Chief Minister M K Stalin said in a letter to Prime Minister Narendra Modi. The exporting units will be reeling under severe financial crunch in the next few months due to low demand, he said. The garment export sector is facing a major crisis due to the impact on the business as a result of the Covid-19 pandemic, the Russia-Ukraine conflict, and the economic slowdown in the West, Stalin said.

<https://www.financialexpress.com/industry/sme/tn-chief-minister-m-k-stalin-requests-pm-to-introduce-a-eclg-scheme-for-msmes-in-the-garment-sector/2722743/>

### **Healthcare services received at home are GST exempt, rules Kerala authority**

Patients using health services at home from qualified nurses and other technically qualified persons engaged by clinical establishments are not required to pay the goods and services tax (GST). The Kerala-based authority for advance ruling (AAR) recently held that these services are exempt from GST. It relied on entry 74 of a circular issued by the government in 2017 which says that healthcare services provided by clinical establishments or authorised medical practitioners or paramedics would not attract GST. The court said if services provided are for healthcare and the company is a clinical establishment, there would be no GST on these services. Healthcare service is defined in the government note to include any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognized system of medicines in India.

[https://www.business-standard.com/article/economy-policy/healthcare-services-received-at-home-are-gst-exempt-rules-kerala-authority-122102000576\\_1.html](https://www.business-standard.com/article/economy-policy/healthcare-services-received-at-home-are-gst-exempt-rules-kerala-authority-122102000576_1.html)

### **UP eyes bigger pie of millet exports, plans to expand jowar acreage**

Uttar Pradesh (UP), the second largest millet producing state is looking to expand their exports. According to a government official, the UP government is now taking proactive steps to increase the acreage of millets by reviving the traditional and indigenous crops under the rain fed farming system. "Millets provide a spectrum of low risk crops, which are resilient to climate change. The state government has planned to promote the cultivation of such nutritious cereals in rainfed areas," he added. The Yogi Adityanath government is aiming to increase the bajra acreage from 980,000 hectares (ha) to a million and hike its production from 24.55 quintal/ha to 25.53 quintal/ha. The state also plans to expand jowar acreage from 215,000ha to 224,000ha.

[https://www.business-standard.com/article/economy-policy/up-eyes-bigger-pie-of-millet-exports-plans-to-expand-jowar-acreage-122102001054\\_1.html](https://www.business-standard.com/article/economy-policy/up-eyes-bigger-pie-of-millet-exports-plans-to-expand-jowar-acreage-122102001054_1.html)

## **Healthcare**

### **Insacog meet on Friday to assess new strains**

Indian Sars-CoV-2 Consortium on Genomics (Insacog), a network of laboratories monitoring genomic variations of Covid-19 virus in the country, will hold a meeting on Friday in the light of multiple Omicron subvariants being detected in the country. "The meeting will be held to review the situation. We will evaluate whether there's any increase in the number of cases due to the new subvariants," a member of the consortium told ET. It is expected that Covid-19 cases could rise in the coming days due to festivals including Diwali next week.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/healthcare/insacog-meet-on-friday-to-assess-new-strains/articleshow/94997080.cms>

## **External**

### **Coal import to be stopped by 2024: Pralhad Joshi**

Coal minister Pralhad Joshi on Thursday said that the import of dry fuel which has declined considerably will be stopped by 2024. Speaking at an event at the office of the Comptroller & Auditor General of India here to release a 'Compendium of Asset Accounts on Mineral and Energy Resources', the minister said commercial coal mine auction which was institutionalised by the present government has made the auctioning process totally transparent.

<https://www.financialexpress.com/economy/coal-import-to-be-stopped-by-2024-pralhad-joshi/2722281/>

### **Govt considering raising interest equalisation rates for exporters to make finance cheaper**

To help Indian exporters retain competitiveness amidst growing global uncertainties and rising costs, the Centre is considering raising the rates of the interest equalisation scheme so that credit is available at a cheaper interest rate to MSME exporters and other select sectors. "The Commerce and Industry Ministry is considering increasing interest equalisation rates from existing 3 per cent for MSME manufacturers exporting any product and 2 per cent for others exporting 410 identified products to 5 per cent and 3 per cent, respectively. The additional expenditure will need to be calculated before seeking the nod of the Expenditure Finance Committee and a team is working on it," an official tracking the matter told businessline.

<https://www.thehindubusinessline.com/economy/govt-considering-raising-interest-equalisation-rates-for-exporters-to-make-finance-cheaper/article66036645.ece>