



October 09, 2023 – Monday

## Economy

### Govt mulling incentives for ASHA workers to mobilise individuals for sickle cell disease screening

The government is planning to give incentives to ASHA health activists for mobilising eligible individuals for sickle cell disease screening and distribution of sickle cell cards for prevention and early detection of the disease. Sickle cell disease is a group of inherited red blood disorders and a National Sickle Cell Anaemia Elimination Mission has been launched to tackle the burden of the disease in India, particularly among tribals. The mission aims to eliminate sickle cell disease before 2047 and entails screening of seven crore population in the age range of zero to 40 years; pre-marital and pre-conceptual genetic counselling for prevention of sickle cell disease and holistic care for those who have the disease across both primary and secondary public health facilities.

<https://economictimes.indiatimes.com/news/economy/policy/govt-mulling-incentives-for-asha-workers-to-mobilise-individuals-for-sickle-cell-disease-screening/articleshow/104258412.cms>

## Banking and Finance

### Banks find new ways for overseas investment

Banks are beginning to take a rational view of regulations to let wealthy Indians invest in offshore funds in financial centres like Singapore. In the past one month around four ultra-high net worth individuals were allowed to remit money to foreign funds whose managers are regulated but not the fund themselves, sources told ET. The development is being closely tracked by private wealth managers and financial experts catering to rich clients who typically park a slice of their wealth in overseas securities, art, properties and funds betting on startups and other investment themes across markets.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-find-new-ways-for-overseas-investment/articleshow/104270580.cms>

### NBFCs may post up to 30% profit rise on strong loan growth

Non-banking finance companies (NBFCs) are likely to report 20-30% growth in net profit in the second quarter ended September 2023 driven by strong loan disbursements, even though margins could be under pressure reflecting a rise in cost of funds. Emkay Global Financial Services expects retail credit to continue to grow due to strong consumption demand and expansion into the rural market. "We expect Q2 to be another good quarter for NBFCs, with disbursement and AUM growth remaining buoyant (adjusting for seasonality and the delayed festive season) in focused segments, and the collection trend and asset quality staying largely stable sequentially. A few players may see slight compression in net interest margin (NIM) on account of a marginal rise in funding cost and some asset mix change-led contraction in asset yields," Emkay said in a report.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/nbfc-may-post-up-to-30-profit-rise-on-strong-loan-growth/articleshow/104266444.cms>

### State-run lenders to work on climate risk metrics

India's state-run lenders are eyeing co-lending strategies and climate risk assessment metrics as part of a broader strategic roadmap outlined by the government to maintain their growth and profitability momentum. The finance ministry is likely to hold a review, later this month, on performance of public sector lenders in the backdrop of a three-year strategic roadmap, a government official told ET. The move is in line with increased focus globally on the challenges posed by climate change and the need for building financial sector resilience and readying state-owned lenders for the next leap.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/state-run-lenders-to-work-on-climate-risk-metrics/articleshow/104266604.cms>

#### **ULIP sales may help insurers post strong premium growth in Q2**

Insurance companies are set to shrug off their tepid first-quarter performance and report strong premium growth in the three months through September, as a strong equity market propelled sale of unit-linked insurance plans. While new business growth is expected to be robust for Max Life Insurance and HDFC Life, it could remain static for state-owned Life Insurance Corporation of India. LIC may face a decline in annualised premium equivalent (APE) due to a contraction in its group business. APE is the sum of regular annualised premium from the new business plus 10% of the first single premium in a given period, and is a common measure to ascertain business sales in the life insurance industry. Motilal Oswal Research expects premium growth to maintain stability in Q2 following a subdued first quarter, as the demand for annuity, non-participating, and credit life products remained strong.

<https://economictimes.indiatimes.com/industry/banking/finance/insure/ulip-sales-may-help-insurers-post-strong-premium-growth-in-q2/articleshow/104271180.cms>

#### **Remittances received in Vostro account to qualify as export of services, ending disputes on GST refunds**

A big relief to the exporters, as getting GST refunds will be easy due to clarity on the classification of remittances received in special Rupee Vostro Accounts (SRVAs). Also, one can claim IGST refunds on supplies to SEZ units, as recommended by the GST Council. Experts believe these recommendations will facilitate the unblocking of working capital. Rupee Vostro Accounts keep a foreign entity's holdings in an Indian bank in Indian rupees. When an Indian importer wants to make a payment to a foreign trader in rupees, the amount will be credited to this Vostro account, and when an Indian exporter needs to be paid for supplying goods or services, this Vostro account will be debited, and the amount will be credited to the exporter's account. As of the current date, Special Rupee Vostro accounts are permitted with 22 countries.

<https://www.thehindubusinessline.com/economy/remittances-received-in-vostro-account-to-qualify-as-export-of-services-ending-disputes-on-gst-refunds/article67395600.ece>

### **Industry**

#### **FMCG firms see subdued volume growth in Q2; rising food prices & rain deficit hamper rural demand**

The FMCG industry expects a subdued low to mid-single-digit volume growth in the July-September quarter as weak macroeconomic conditions amid rising food prices and below-normal rainfall in some regions are impeding the recovery in rural demand. Companies such as Marico, Dabur and Godrej Consumer Products Ltd (GCPL) in their quarterly updates said that though there was an improvement in consumption in the second quarter, the recovery has been gradual.

<https://www.financialexpress.com/business/industry/fmcg-firms-see-subdued-volume-growth-in-q2-rising-food-prices-amp-rain-deficit-hamper-rural-demand/3266174/>

#### **Mass-market carmakers are making 'six airbags' a new norm for cars & SUVs in India**

Mass-market carmakers in India are working towards making six airbags the new norm for cars and sports utility vehicles (SUVs). This is due in part to changing market dynamics and consumer choices in the world's third-largest automobile market. Once seen only in premium and luxury cars, six airbags are now becoming more accessible to and affordable for the average car buyer in India. The government last month clarified that six airbags were not mandatory (in India, two airbags are mandatory), leaving it to the customer to make a comparative assessment of safety while buying vehicles.

<https://economictimes.indiatimes.com/industry/auto/auto-news/mass-market-carmakers-are-making-six-airbags-a-new-norm-for-cars-suvs-in-india/articleshow/104250144.cms>

## Agriculture

### **Piyush Goyal to inaugurate the Annual Rubber Conference in Guwahati on October 9**

The Annual Rubber Conference and Assembly Meetings of the Association of Natural Rubber (NR) Producing Countries (ANRPC), an international organization of natural rubber-producing countries, is scheduled to be held in Guwahati from October 9 to 13. Union Minister of Commerce & Industry, Consumer Affairs, Food & Public Distribution and Textiles, Piyush Goyal will inaugurate the Annual Rubber Conference on October 9. The Association of Natural Rubber Producing Countries (ANRPC) is an inter-governmental organization established in 1970. Currently, 13 countries, including India, Bangladesh, Cambodia, China, Indonesia, Malaysia, Myanmar, Papua New Guinea, Philippines, Singapore, Sri Lanka, Thailand and Vietnam are members of this global association.

<https://economictimes.indiatimes.com/news/economy/agriculture/piyush-goyal-to-inaugurate-the-annual-rubber-conference-in-guwahati-on-october-9/articleshow/104262092.cms>

### **Govt to computerise 1,851 agri & rural development banks and state cooperative registrars**

The government on Sunday announced it will computerise state cooperative registrars and 1,851 offices of Agriculture and Rural Development Banks (ARDBs) under a scheme with a budget of Rs 225.09 crore. Currently, the government is computerising all Primary Agriculture Credit Societies (PACS) in the country. "On the lines of the computerisation scheme of all PACS in the country, a centrally sponsored scheme has been approved for computerisation of 1,851 units of ARDBs of 13 states through a national unified software," the cooperation ministry said in a statement. The government has also decided to computerise the offices of Registrar of Cooperatives of all states and Union Territories, it said. A Central Project Monitoring Unit (PMU) will be established, which will work towards the successful implementation of the scheme. "The total estimated expenditure for this scheme will be Rs 225.09 crore," the statement said.

<https://economictimes.indiatimes.com/news/economy/agriculture/govt-to-computerise-1851-agri-rural-development-banks-and-state-cooperative-registrars/articleshow/104260980.cms>

### **Jammu and Kashmir authorities plan revival of aromatic rice Mushk Budji, expand cultivation to 5,000 hectares**

Mushk Budji -- the indigenous aromatic rice variety from Kashmir -- is likely to get a major boost in its yield with the Jammu and Kashmir authorities planning to expand its cultivation area to 5,000 hectares in the next three years, a senior official has said. According to experts at the Sher-e-Kashmir University of Agricultural Sciences and Technology (SKUAST), this high-cost traditional variety of rice was on the verge of extinction and was pushed to a few pockets of the Valley because of its susceptibility to blast disease. Besides, non-uniformity in the produce, lack of quality seed, poor yield potential due to the mixing of strains and also due to area expansion under high-yielding paddy varieties led to shrinking of acreage under it, they said.

<https://economictimes.indiatimes.com/news/economy/agriculture/j-k-authorities-plan-revival-of-aromatic-rice-mushk-budji-expand-cultivation-to-5000-hectares/articleshow/104261889.cms>

## Infrastructure

### **Institutional investment in real estate touches \$4.6 billion in Jan-Sept 2023**

Institutional investments in Indian real estate touched \$4.6 billion during January-September 2023, a 27% year-on-year increase, highlighting the resilience and attractiveness of the market despite prevailing global challenges. As per a report by Collier India, institutional investment inflows for 2023 have already reached 93% of the total inflows recorded in 2022, despite a clouded global economic environment.

<https://www.financialexpress.com/business/industry-institutional-investment-in-real-estate-touches-4-6-billion-in-jan-sept-2023-3265981/>

## Energy

### **Despite high crude oil prices, India's fuel cost unlikely to witness uptick as elections loom: Moody's**

Despite high crude oil prices, Indians may not witness a surge in prices of petrol and diesel owing to upcoming elections in 2024, a report by Moody's Investors Service stated. Major oil players in India including three state-owned

fuel retailers -- Indian Oil Corporation (IOC), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) -- which control roughly 90 per cent of the market, have retained the fuel prices for the last 18 months. The move is a shocker as the price of raw material, i.e. crude oil, in the mentioned period has seen a significant uptick. This has also led to oil firms recording heavy losses in first half of 2022-23 fiscal year, before easing oil prices propelled them to profitability.

<https://economictimes.indiatimes.com/industry/energy/oil-gas/no-petrol-diesel-price-hike-likely-despite-crude-oil-price-surge-as-elections-loom-moodys/articleshow/104256878.cms>

#### **India's power consumption grows nearly 8 pc to 847 billion units in first half of FY24**

India's electricity consumption grew nearly eight per cent to about 847 billion units (BU) in the first half of this fiscal year from April to September, showing uptick in economic activities in the country. According to the official data, electricity consumption rose to about 847 BU during April-September 2023 from 786 BU in the same period of the previous fiscal. The industry experts opined that the widespread unseasonal rain in April, May and June has affected the power consumption as it could have grown in double digits in the country. They stated that there was strong recovery of power demand as well as consumption in August onwards due to unusually high humidity level which increased the use of cooling appliances like fans, coolers and air conditioners.

<https://economictimes.indiatimes.com/industry/energy/power/indias-power-consumption-grows-nearly-8-pc-to-847-billion-units-in-first-half-of-fy24/articleshow/104254849.cms>

### **Telecom**

#### **Telecom industry air concern over Data Protection Law**

The telecom industry has concerns regarding the data protection law, including the fact that the age gating provision as a validation mechanism lacks specifics, and has sought two years' time for its implementation. Telecom operators say that in conventional consent-taking methods, like for a customer acquisition form (CAF), a person gives consent with know your customer (KYC) details. But the same can't be replicated in an internet-driven consent mechanism. "While there can be ways to validate the age of a person, like through Aadhaar, it needs to be clarified and the provisions should be added in the act," said an executive of a telecom company, requesting not to be named.

<https://economictimes.indiatimes.com/industry/telecom/telecom-news/telecom-industry-air-concern-over-data-protection-law/articleshow/104266528.cms>

### **Healthcare**

#### **Faced with backlogs, medical devices industry suggests third-party audits**

As some medical device makers grapple with the issue of getting a licence for their high-risk products, industry voices have suggested a system of third-party audits by authorised agencies to facilitate the regulatory process. Some makers of Class C and D devices have been waiting for over a week to get their registrations and licences. The October 1 deadline, though, has been overrun for multiple reasons, including a reported backlog of applications awaiting regulatory clearance. These medical device makers now hope for a "written (regulatory) reprieve" allowing them to undertake existing business commitments. A similar approach was taken with Class A and B products as well (April 2020), industry-watchers recall. Ahead of the October deadline, a forum for domestic device-makers had written to the Health Minister on the issue. A system of third-party audits by certified bodies for medical devices was requested, given the limited availability of competent manpower and expertise at the CDSCO (Central Drugs Standard Control Organisation), a letter from Aimed (Association of Indian Medical Device Industry), had said.

<https://www.thehindubusinessline.com/economy/faced-with-backlogs-medical-devices-industry-suggests-third-party-audits/article67395709.ece>

### **External**

#### **India, Saudi Arabia sign MoU on grid connection and green hydrogen**

India and Saudi Arabia have signed a Memorandum of Understanding (MoU) for grid interconnections, green/clean hydrogen, and the supply chain for the same. The MoU was signed by the union minister for power and new &

renewable energy, R K Singh, and the minister of energy, Government of Saudi Arabia, Abdulaziz bin Salman Al-Saud on the sidelines of the MENA Climate Week in Riyadh.

[https://www.business-standard.com/economy/news/india-saudi-arabia-sign-mou-on-grid-connection-and-green-hydrogen-123100800769\\_1.html](https://www.business-standard.com/economy/news/india-saudi-arabia-sign-mou-on-grid-connection-and-green-hydrogen-123100800769_1.html)

### **'India, Tanzania to sign 15 agreements with eye on USD 10 billion trade'**

India and Tanzania will sign 15 agreements covering different areas of cooperation, Tanzanian Foreign Minister January Yusuf Makamba said ahead of the bilateral talks between visiting President Samia Suluhu Hassan and Prime Minister Narendra Modi on Monday. The presidential visit from Tanzania to India is taking place after a span of more than eight years. "This is a very important visit for Tanzania. The big announcement we expect here is regarding the elevation of the bilateral relations into a strategic partnership. We expect that commitments on enhancement of trade and investment will be announced. We expect an announcement on about 15 agreements covering different areas of cooperation, both government to government but also with private entities," Makamba told PTI on Sunday.

<https://economictimes.indiatimes.com/news/economy/foreign-trade/india-tanzania-to-sign-15-agreements-with-eye-on-usd-10-billion-trade/articleshow/104265320.cms>

### **US biggest export destination for Indian smartphones in Apr-Jul; UAE 2nd: Govt data**

India exported smartphones worth USD 4.67 billion in April-July this fiscal, following a multifold jump in shipments to the US, which emerged as the biggest destination for India-made devices, according to government data. The smartphone exports to the US jumped multiple times to USD 1.67 billion during the first four months of this fiscal against USD 284.6 million a year ago, the commerce ministry data showed. The US accounted for one-third of the shipments in value terms. The US was followed by the UAE (USD 836.36 million), the Netherlands (USD 379.3 million), the UK (USD 336.27 million), Italy (USD 245.7 million), and the Czech Republic (USD 230.25 million).

<https://economictimes.indiatimes.com/news/economy/foreign-trade/us-biggest-export-destination-for-indian-smartphones-in-apr-jul-uae-2nd-govt-data/articleshow/104264670.cms>

### **British delegation to commence next round of India-UK FTA talks on Oct 9**

A 30-member official delegation from the UK will start the next round of negotiations for a free trade agreement with the Indian team here from Monday to close remaining issues so that the two countries conclude the talks soon, an official has said. Both countries have recently concluded the 13th round of negotiations. A team led by Commerce Secretary Sunil Barthwal was in London last week to give an impetus to the talks.

[https://www.business-standard.com/economy/news/british-delegation-to-commence-next-round-of-india-uk-fta-talks-on-oct-9-123100800612\\_1.html](https://www.business-standard.com/economy/news/british-delegation-to-commence-next-round-of-india-uk-fta-talks-on-oct-9-123100800612_1.html)

### **Mobile phone exports from India almost double to \$5.5 bn till Aug in FY24**

Mobile phone exports from India almost doubled to \$ 5.5 billion, about Rs 45,700 crore, till August this financial year, according to industry body ICEA's estimates. ICEA said, mobile phone exports from India between April-August 2023 was around \$ 3 billion, about Rs 24,850 crore. A source, who did not wish to be named, said, with Apple exported mobile phones worth more than Rs 23,000 crore, thereby accounting for a little over half of the total export.

[https://www.business-standard.com/economy/news/mobile-phone-exports-from-india-almost-double-to-5-5-bn-till-aug-in-fy24-123100800333\\_1.html](https://www.business-standard.com/economy/news/mobile-phone-exports-from-india-almost-double-to-5-5-bn-till-aug-in-fy24-123100800333_1.html)

### **Plastic exports dips by 6.9 pc to USD 34.5 bn in Aug: Plexconcil**

India's plastic exports declined by 6.9 per cent to USD 34.5 billion in August, compared to the same month last year due to difficult global economic factors, apex industry body Plastics Export Promotion Council (Plexconcil) has said. The overall plastic exports stood at USD 37.0 billion in August 2022, according to the data shared by Plexconcil. According to the data, there was a mixed performance among product categories as flooring, leather, laminates, medical plastics, consumer and houseware products, fishnets and monofilaments, writing instruments and stationery, and human hair and related products reported an increase in exports.

<https://economictimes.indiatimes.com/industry/indl-goods/svs/paper/-/wood/-/glass/-plastic/-marbles/plastic-exports-dips-by-6-9-pc-to-usd-34-5-bn-in-aug-plexconcil/articleshow/104258401.cms>

### **India Exim Bank pitches for new export markets to empower Indian businesses**

Import Bank of India (India Exim Bank) is committed to empowering Indian businesses by expanding exports to new markets, and it aims to collaborate with existing ones to foster growth amid economic slowdown and geopolitical challenges, a senior official said on Sunday. The external trade-focused bank does not see any concern so far for its exposure in Canada, and the situation has the attention of the government, the official said. "With the economic slowdown in the key markets, the bank is focusing on trade facilitation measures to boost exports in new markets and help existing markets grow," India Exim Bank Deputy Managing Director Tarun Sharma told PTI in an interview. <https://economictimes.indiatimes.com/news/economy/foreign-trade/india-exim-bank-pitches-for-new-export-markets-to-empower-indian-businesses/articleshow/104263506.cms>

### **Coal imports down 12% in Aug to 18.26 mn amid rise in domestic availability**

India's coal imports declined 12.08 per cent to 18.26 million tonnes (MT) in August this year over the corresponding month of the previous fiscal. The country's import of fossil fuel stood at 20.77 MT in August last year. Overall coal imports during April to August also declined by 10.3 per cent to 103.93 MT, over 115.93 MT in the year-ago period, according to data compiled by mjunction services ltd. [https://www.business-standard.com/economy/news/coal-imports-down-12-in-aug-to-18-26-mn-amid-rise-in-domestic-availability-123100800221\\_1.html](https://www.business-standard.com/economy/news/coal-imports-down-12-in-aug-to-18-26-mn-amid-rise-in-domestic-availability-123100800221_1.html)

### **Multilateral banks back reforms plan**

The proposed transformation roadmap of multilateral development banks (MDBs) has secured wide backing of these entities, people familiar with the deliberations told ET. The MDB reform programme will be taken up at the G20 finance ministers and central bank governors' (FMCGB) meeting in Marrakech under India's presidency on October 12-13. The reforms blueprint is derived from the report of the Independent Expert Group (IEG), co-chaired by 15th Finance Commission chairman NK Singh and former US treasury secretary Larry Summers, set up by the G20. The group recently submitted the second volume of its report outlining a roadmap for implementation of MDB reforms. <https://economictimes.indiatimes.com/news/economy/policy/multilateral-banks-back-reforms-plan/articleshow/104266684.cms>