

Weekly Compendium of Economic and Business Developments

(Period ending 22nd October, 2021)

PHD Research Bureau disseminates information to the members of PHD Chamber & other Industry stakeholders on various economic and business development issues at National and Sub-national arena such as Merchandise exports and imports growth, Cabinet approval on release of Dearness Allowances and implementation of PM Gati Shakti National Master Plan(NMP) among others. The details of disseminated information during the week ending 22nd October 2021 are appended.

Indian Economy

- **Merchandise exports and imports grew by 22.63% and 84.77% respectively in September 2021:-**Exports in September 2021 were USD 33.79 Billion, as compared to USD 27.56 Billion in September 2020, exhibiting a positive growth of 22.63 per cent. In Rupee terms, exports were Rs. 2,48,605.74 Crore in September 2021, as compared to Rs. 2,02,508.54 Crore in September 2020, registering a positive growth of 22.76 per cent. As compared to September 2019, exports in September 2021 exhibited a positive growth of 29.86 per cent in Dollar terms and 33.92 per cent in Rupee terms. Imports in September 2021 were USD 56.39 Billion (Rs.4,14,812.41 Crore), which is an increase of 84.77 per cent in Dollar terms and 84.97 per cent in Rupee terms over imports of USD 30.52 Billion (Rs.2,24,254.02 Crore) in September 2020. Imports in September 2021 have registered a positive growth of 49.59 per cent in Dollar terms and 54.27 per cent in Rupee terms in comparison to September 2019.
- **Decisions taken by the Union- (i) Cabinet approves release of an additional installment of Dearness Allowance to Central Government employees and Dearness Relief to Pensions, due from 01.07.2021:-**The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi, has approved to release an additional installment of Dearness Allowance to Central Government employees and Dearness Relief (DR) to pensioners w.e.f. 1.7.2021 representing an increase of 3% over the existing rate of 28% of the Basic Pay / Pension, to compensate for price rise. This increase is in accordance with the accepted formula, which is based on the recommendations of the 7th Central Pay Commission. The combined impact on the exchequer on account of both Dearness Allowance and Dearness Relief would be Rs.9,488.70 crore per annum. This will benefit about 47.14 lakh Central Government employees and 68.62 lakh pensioners. **(ii) Cabinet approval sets the implementation of PM Gati Shakti National Master Plan (NMP) in motion:-**The Cabinet Committee on Economic Affairs (CCEA) has approved PM GatiShakti National Master Plan including institutional framework for rolling out, implementation, monitoring and support mechanism for providing multi-modal connectivity. Hon'ble Prime Minister launched PM GatiShakti NMP for multi-modal connectivity on 13th October, 2021. Implementation framework includes Empowered Group of Secretaries (EGOS), Network Planning Group (NPG) and Technical Support Unit (TSU) with required technical competencies.

Our Voice

PHDCCI Quick Economic Trends :-Lead indicators show significant uptrend, strong GDP growth expected in the coming quarters: PHD Chamber:-The uptrend in the lead economic and business indicators in the recent

months shows that the economic recovery is catching pace and strong economic growth is expected in the coming quarters. Out of the 12 lead economic and business indicators of QET (Quick Economic Trends), tracked by the industry body PHDCCI, 9 have shown uptick in the sequential growth for the month of September 2021 as compared with 6 showing the uptrend in August 2021, GST collections, stock market, UPI transactions, exports, exchange rate, forex reserves, CPI inflation, WPI inflation and unemployment rate have registered positive sequential growth in September 2021 as compared to August 2021.

Unemployment scenario improved to 6.9% in September 2021 from 8.3% in August 2021. Stock Market (SENSEX - average of daily close) have recorded the sequential growth of 6.4% from 55238 in August 2021 to 58781 in September 2021. GST collections registered the sequential growth of 4.5% from Rs 1,12,020 crore in August 2021 to Rs 1,17,010 crore in September 2021. Number of UPI transactions increased sequentially by 2.8% from 3.6 billion in August 2021 to 3.7 billion in September 2021.

Exports increased by 1.5% from US\$ 33.3 billion in August 2021 to US\$ 33.4 billion in September 2021. Exchange rate appreciated by 0.8% from monthly average of 74.17 INR/USD in August 2021 to 73.58 INR/USD in September 2021. Forex reserves registered the sequential growth of 0.5%, increasing from US\$ 634 billion in August 2021 to US\$ 637 billion in September 2021. WPI inflation declined to 10.7% in September 2021 from 11.4% in August 2021. CPI inflation also decreased to 4.4% in September 2021 from 5.3% in August 2021.

However, railway freight registered the sequential decline of (-)4.1%, decreasing from 110.5 MT in August 2021 to 106 MT in September 2021. The sequential growth of passenger vehicles declined by (-)20.1% in September 2021 from 232224 units in August 2021 to 185636 units in September 2021. Trade deficit increased sequentially by 64.3% from US\$ 14 billion in August 2021 to US\$ 23 billion in September 2021.

Economy so far

- **India's September WPI inflation eases to 10.66%** - India's annual wholesale price-based inflation in September eased to 10.66% from the previous month's 11.39%, remaining in double digits for the sixth month in a row. Fuel and power prices rose 24.81% in September year-on-year compared with 26.09% in August, while manufactured product prices rose 11.41% compared with 11.39% in the previous month. However, wholesale prices of food rose at a slower pace of 1.14% in September from a year earlier compared with 3.43% in the previous month.
- **Important for India to focus on green investment post-pandemic: IMF** - As the Indian economy recovers from the COVID-19 pandemic that hit it hard, it is important for the country to focus on public investment, particularly in green sectors, the International Monetary Fund said on 13th October 2021. "As we move towards the recovery, it is also important to focus on public investment, particularly on green investment, so that the recovery can be inclusive and green. India's debt is at the ratio of about 90 per cent, and it is important to give a signal that there is a medium-term fiscal framework in place that ensures investors that the debt ratio will decline in the medium term.
- **Employment under MGNREGA in September falls to lowest since Covid outbreak:** Work demand and employment provided under Mahatma Gandhi National Rural Employment Guarantee scheme fell to its lowest since the outbreak of the Covid-19 pandemic as recovery gained ground with hiring picking up across sectors. Data showed that work generated under the scheme fell by 10.9% in September to 23.47 crore person days compared to 26.36 crore person days in September 2020. Sequentially also, work generated under the scheme stood eased. In August work generated stood at 27.61 crore person days. Demand for work fell by 8.3% last month to touch its lowest at 2.86 crore persons in the last 17 months.
- **EEPC plans chapters in tier II & III cities to boost engineering exports** - To boost engineering exports EEPC India has decided to go deep in tier-II and III cities to encourage firms in the smaller towns to join the global value chain and production networks. Engineering Export Promotion Council of India (EEPC India) has been carrying out several capacity-building programmes and adding more and more engineering firms to onboard the export bandwagon. Currently, engineering accounts for over 25 per cent of the country's export basket.

Engineering Exports during the period of April-September 2021 is about USD 52.34 billion which is a growth of 60 per cent over April-September 2020 (USD 32.72 billion) and 37 per cent growth over April-Sept 2019 (USD 38.26 billion).

- **India set to achieve the \$400 billion annual exports milestone-** India has clocked record exports in the first half of FY22 at \$197.89 billion and is closer than ever to achieve the \$400 billion annual exports milestone by the end of the year. However, the soaring global commodity prices, including of key inputs such as oil, chemicals, metals, plastic and cotton, are largely responsible for this rise. The volume growth is not commensurate with this value growth. USD 197.89 billion merchandise goods exports in Apr-Sep and has improved global demand supports outbound shipments.
- **Gold imports jump multi-fold to USD 24 billion in April- September:-** Gold imports, which have a bearing on the current account deficit, zoomed to about USD 24 billion during April-September 2021 due to higher demand in the country, according to data from the Commerce Ministry. Imports of the yellow metal was USD 6.8 billion in the corresponding period last year, the data showed. Gold imports during September this year too rose to USD 5.11 billion as against USD 601.4 million in the same month last year.
- **India's coal import drops in August despite higher fuel demand from power sector-** India's coal import registered a decline of 2.7 per cent to 15.22 million tonnes (MT) in August this year amid the country's power plants grappling with fuel shortages. The country imported 15.64 MT of coal in the corresponding month last year. Imports in August 2021 stood at around 15.22 million tonnes and imports in August 2021 were also down by 2.7 percent over August 2020.
- **Diwali, Christmas demand pushes up sweets, garments export orders-** Export orders for food, handicraft and readymade garments have risen at least 15% year-on-year owing to the upcoming festival season in the US and a higher demand for Indian sweets and snacks during Diwali, said traders. The overall snacks, sweets and confectionaries segment has seen a 4-5% increase in export orders. "Lifestyle products, textile, leather, handicraft and carpets are the goods that are most sought after during this period and there is strong order booking of above 20% in volume terms in some of them compared to last year," said Shri Ajay Sahai, director general, Federation of Indian Export Organizations. The increase could be 40% in value terms.
- **Rising global oil and coal prices pose macro risks: Analysts-** The rising commodity prices expose India to macro risks including on the already elevated inflation and growth fronts. There has been 14 per cent jump in oil prices to USD 83 per barrel and 15 per cent rise in coal rate to USD 200 per metric tonne, analysts at Morgan Stanley said. This rise in energy prices, specifically oil, has prompted concerns of higher inflation, slower growth and whether this could lead to disruptive monetary policy tightening.
- **Still strong bias for cash payment; need to reassess PSS Act: Report -** The pandemic forced an inevitable shift to digital payments but Indians continue to have a strong bias for cash payments. Due to the emergence of disruptive technologies leading to technology led payment solutions, there is a need to reassess the Payment and Settlement Systems Act, 2007 (PSS), a key enabler for promoting digital transactions. The Act was enacted more than a decade back when the digital payments market in India was at its nascent stage and the law was primarily enacted to regulate payment systems from a systemic perspective and to confer the RBI with necessary powers to regulate these systems.
- **India's Forex reserves rise by \$2.04 billion to \$639.51 billion-** The country's foreign exchange reserves rose by \$2.039 billion to \$639.516 billion in the week ended October 8, according to RBI data. In the previous week ended October 1, the reserves had dipped by \$1.169 billion to \$637.477 billion. The reserves had surged by \$8.895 billion to a lifetime high of \$642.453 billion in the week ended September 3. During the reporting week ended October 8, the rise in the reserves was on account of an increase in the Foreign Currency Assets (FCAs). FCA rose by \$1.55 billion to \$577.001 billion in the reporting week.
- **Finance Ministry to seek Cabinet nod for setting up company to monetize land assets of privatization-**

bound CPSEs- The Finance Ministry will soon move the Cabinet to seek approval for setting up a company for transfer and subsequent monetization of land and non-core assets of privatization-bound CPSEs, an official said. A special purpose vehicle (SPV) in the form of a company would be set up to hold these assets which would be monetised to fetch value to the exchequer, Department of Investment and Public Asset Management (DIPAM) Secretary Shri Tuhin Kanta Pandey said.

- **Coal ministry to augment fuel supply to power sector from captive mines-** The coal ministry on 15th October 2021 said it has taken various measures, including diverting the output from captive coal mines, to augment fuel supply to the power sector. The development assumes significance in the wake of country's power plants grappling with coal shortages. The ministry of coal has taken all efforts to augment coal supplies to the power sector and decided to divert and augment the supplies to power sector from captive coal blocks. Captive mines are those that produce coal or mineral for exclusive use by the company that owns the blocks.
- **Production Linked Incentive (PLI) Scheme for Promoting Telecom and Networking Products Manufacturing in India** - Hon'ble Minister of State of Ministry of Communications, Shri Devusinh Chauhan launched Production Linked Incentive (PLI) Scheme for Telecom and Networking Products. PLI Scheme in telecom sector has been launched to realize the Hon'ble Prime Minister's vision of Atmanirbhar Bharat. It will help in reducing India's dependence on other countries for import of telecom and networking products. The PLI Scheme is being launched by DoT with the objective to boost domestic manufacturing in the telecom and networking products by incentivizing incremental investments and turnover with total outlay of Rs. 12,195 crore. The scheme is effective from 1st April, 2021.
- **India on course for open access in its markets: RBI Deputy Governor** - India is nearing a big shift in its long-term goal of achieving open access to and convertibility in its markets with greater global integration and freer non-resident access to debt, Reserve Bank of India Deputy Governor Shri T. Rabi Sankar said. "India has come a long way in achieving increasing levels of convertibility on the capital account," Shri T. Rabi Sankar said in a speech at a forex dealers event on 14th October 2021, referring to the ability to convert local financial assets into foreign financial assets and vice versa.
- **India, US for maintaining policies to aid strong, inclusive recovery-** India and the US Friday asserted the importance of maintaining supportive policies until a strong and inclusive economic recovery is firmly entrenched. Hon'ble Finance minister Smt. Nirmala Sitharaman and US treasury secretary Janet Yellen discussed the macroeconomic outlook and recovery from the Covid-19 pandemic, financial regulatory and technical collaboration, multilateral engagement, climate finance and anti-money laundering, and combating the financing of terrorism.
- **Consumer sentiments improve in October so far: CMIE:** Consumer sentiments improved by 9.8% for the week ended October 10 while the index of consumer expectations jumped by 10.4%. However, this is yet to translate into higher consumer spending as households continue to be cautious, the Centre for Monitoring Indian Economy said. Most of this extraordinary gain in consumer sentiments emanates from a jump in the expectation that the economy as a whole would do better in the coming one year and also in the coming five years. The mean weekly change in consumer sentiments has been 0.6% and the median 0.5% over the past one year though there has been a steady improvement since July. The index of consumer sentiments had scaled up by 7.9% in September, 1.7% in August and a massive 11.1% with the cumulative gain in three months since July at 21.9%.
- **Opportunities galore in India: Hon'ble Finance Minister Smt. Nirmala Sitharaman to investors-** Hon'ble Finance Minister Smt. Nirmala Sitharaman told global leaders and investors in an interaction in New York that India has undertaken several reforms to ease foreign investment in infrastructure, including fiscal benefits which have created opportunities for investors and industry in the country. India has fully leveraged the potential of digitisation even during the most challenging time of the Covid-19 pandemic, she said, adding that the role of technology in the financial sector is enabling pushing the frontier of financial

inclusion. "Fintechs are playing a key role in this area.

- **Millennials pull crypto out of the shadows in India-** In hundreds of India's small cities and towns, a generation that has hardly had any experience with stocks and bonds is heading straight for Bitcoin, Ethereum, Cardano and Solana. The average age of the 11 million users of Coin Switch Kuber, a cryptocurrency trading app that didn't exist 18 months ago, is 25, and 55% of them are from outside large metropolises like New Delhi or Mumbai. Widespread acceptance of digital tokens by millennials and Generation Z is helping the industry step out of the shadows, a far cry from 2018 when the cofounders of a crypto exchange were briefly in police custody for daring to put up a kiosk in a Bangalore shopping mall where people could swap their Bitcoin for money.
- **Indian tea exports may witness recovery as Kenyan government fixes minimum reserve price-** India's tea exports, which suffered heavily owing to availability of Kenyan tea at lower prices in the global markets, may witness a recovery as the Kenyan government has fixed a minimum reserve price for tea to protect the interest of tea producers in the country. The Kenya Tea Development Agency has set a minimum reserve price of \$2.43 (about Rs 183) per kg for processed tea at the Mombasa auction. This year, Indian tea had faced a tough competition from Kenyan tea as its prices were Rs 250-300 per kg while Kenyan tea was priced at less than Rs 150 per kg.
- **India in no hurry to unwind stimulus but oil is a worry, says Hon'ble Finance Minister Smt Nirmala Sitharaman-** India is in no hurry to withdraw the pandemic-era stimulus and is ready to do more if required to support the nation's economic recovery. The emphasis on building health infrastructure will continue, and so will government spending on capital expenditure and infrastructure.
- **Investment liberalization, structural reforms could help deepen India's integration in global value chains: IMF-** Further liberalization aided by structural reforms could help deepen India's integration in global value chains and its post-pandemic recovery, the International Monetary Fund had said.
- **Regulatory forbearance to contain NPAs in FY22: Report-** Non-performing assets (NPAs) of banks are set to rise to 8-9% this fiscal, well below the peak of 11.2% seen at the end of fiscal 2018 as relief measures contained stress, according to ratings firm CRISIL.
- **Rising commodity prices to push CAD to 1.3 pc or \$40 bn this fiscal: Report-** Rising global commodity prices, led by crude, coal and metals, will shave a lot off the current account leading to higher imports and a rise in current account deficit, which is likely to print at 1.3 per cent of the GDP or USD 40 billion, up from 0.9 per cent surplus last fiscal, according to a brokerage report.
- **India, Israel, US and UAE agree to establish joint economic forum-** Hon'ble External Affairs Minister Shri S Jaishankar and his counterparts from Israel, the US and the UAE have agreed to establish a forum for economic cooperation at a quadrilateral meeting during which they discussed possibilities for joint infrastructure projects in the fields of transportation, technology, maritime security, and economics and trade.
- **India, EU discuss steps to operationalize decision to resume negotiations for trade pact-** India and the European Union have discussed steps to operationalize the decision of their leaders to resume negotiations for a trade agreement and also launch talks for a stand-alone investment protection pact.
- **Escape clause to avoid disputes in pandemic, global response system with other agencies key: India to WTO-** India has suggested the World Trade Organization (WTO) to consider possible escape clauses for countries to avoid disputes while using the flexibilities in global trade agreements in response to current and future pandemics and natural disasters.
- **Tea exports down by 14% in first seven months of 2021 owing to US sanctions-** Exports of tea from India

registered a fall of around 14.4 % in the first seven months of 2021 as compared to the same period last year. Total exports of the beverage during January to July of 2021 was 100.78 million kilograms as against 117.56 million kilograms in the same period of 2020, according to Tea Board data.

- **India, Israel agree to resume negotiations on FTA from next month-** India and Israel have agreed to resume negotiations on a Free Trade Agreement (FTA) from next month as the two sides are confident to conclude the long-pending deal by June next year.
- **Oilmeal exports down 36% in September 2021-** Export of oilmeal, used as animal feed, declined 36% year-on-year to 1.83 lakh tonne in September on account of the domestic shortage of the oilmeal products. To meet local shortage the government has allowed the import of genetically modified (GM) soyameal, and it should give some relief to the poultry industry.
- **Crisil predicts revival in private investment cycle after more than a decade-** India's private investment cycle is set to recover after more than a decade due to government schemes, capital expenditure in sectors like cement and metals and digitisation, credit rating agency Crisil has predicted. Accommodative monetary policy, global liquidity and lower interest rates will also support an investment revival the rating agency said.
- **Residential sales register 59% growth YoY in Q3 2021: Report-** Home sales in India's eight leading markets have undergone a significant improvement during the July-September period of 2021 (Q3 2021) as demand for residences picked up post the second wave of the coronavirus pandemic, according to Real Insight (Residential) – July-September (Q3)2021.
- **Government gives telcos till Oct 29 on opting for payments' moratorium, 90 days for equity conversion-** The government has given telcos – till October 29 to respond on whether they would opt for the four-year payment moratorium. Further, 90 days have been given to carriers to respond on whether they would want to opt to convert the accrued interest due to the deferred payments into equity.
- **Hon'ble Civil Aviation Minister Shri Jyotiraditya Scindia virtually flags off 6 routes expanding aerial connectivity in North East India-** Hon'ble Union Minister of Civil Aviation, Shri Jyotiraditya M. Scindia, MoS, Civil Aviation, General Dr. V K Singh (Retd.) along with Shri Rajeev Bansal, Secretary, Ministry of Civil Aviation (MoCA) virtually flagged off 6 routes expanding the aerial connectivity of North-East India. The routes commencing operations from today are Kolkata – Guwahati, Guwahati – Aizawl, Aizawl – Shillong, Shillong – Aizawl, Aizawl – Guwahati.
- **Indian companies bet big on CX innovation to protect business from competitors: report-** More Indian enterprises are investing in customer experience (CX) as a means to grow their business as compared to other countries in the Asia Pacific region. Most Indian organizations (88%) accelerated their CX projects over the past 12 months compared to their counterparts in South Korea (67%), Australia (65%), Singapore (62%), and Japan (37%).
- **Over 102 crore COVID-19 vaccine doses provided to states, UTs: Centre-** More than 102 crore COVID-19 vaccine doses have been provided to states and union territories so far, the Union Health Ministry. Over 10.72 crore balance and unutilized COVID-19 vaccine doses are still available with the states and UTs to be administered, it said.
- **Canteen services for employees out of GST net-** Canteen charges collected from employees will now be outside the gamut of goods and services tax following a tax ruling that offers some relief to several large industrial and manufacturing units. In a recent ruling, the Gujarat Authority for Advance Ruling (AAR) said that GST is not applicable on the amount collected from the employees towards canteen charges, which is paid to the canteen service provider.
- **India, Israel, US and UAE agree to establish joint economic forum-** Hon'ble External Affairs Minister Shri S

Jaishankar and his counterparts from Israel, the US and the UAE have agreed to establish a forum for economic cooperation at a quadrilateral meeting during which they discussed possibilities for joint infrastructure projects in the fields of transportation, technology, maritime security, and economics and trade.

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- **Mineral Production during August, 2021 (Provisional) Goes Up by 23.6 Per Cent-** The index of mineral production of mining and quarrying sector for the month of August, 2021 (Base: 2011-12=100) at 103.8, was 23.6% higher as compared to the level during last year. The cumulative growth for the period April-August, 2020-21 over the corresponding period of previous year has increased 25.1 per cent.
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- **Power and NRE Minister calls upon the world to work together to make energy access available to all using solar and renewable energy** - Hon'ble Union Minister for Power and New and Renewable Energy and the President of International Solar Alliance Shri R.K. Singh welcomed all the members, signatory countries, prospective member countries, partner organizations, and special invitee organizations to the Fourth Assembly of the International Solar Alliance. Solar energy, in particular, is now the most viable option to achieve universal access to sustainable energy due to its affordability and amenability to off-grid solutions. It is the most viable option for us to rapidly de-carbonize our energy sectors. Shri Singh called upon the world to work together and to enable ISA to make energy access available to all using solar and renewable energy.
- **Hon'ble Minister of Petroleum & Natural Gas and Housing & Urban Affairs Shri Hardeep Singh Puri said that Global economy needs Clean, Affordable, Reliable and Sustainable energy to speed up the post-pandemic recovery** – Hon'ble Minister of Petroleum & Natural Gas and Housing & Urban Affairs Shri Hardeep Singh Puri yesterday said that India believes that access to energy must be affordable and reliable. In his welcome remarks at Fifth India Energy Forum by CERAWEEK at New Delhi, he said that the global economy needs Clean, Affordable, Reliable, Sustainable energy to speed up the post-pandemic recovery. We need to accept that the world needs a reliable supply of oil and gas until we can build new energy infrastructure.
- **Coal shortage may prove a hurdle in the recovery of smaller steel players** - Small, medium and secondary steel producers, which account for more than a third of steel production, are at pre-pandemic levels of production in the first five months of the current financial year, but shortage of coal may play a spoiler in the recovery. Many units in this space expect capacity utilization levels to drop drastically a few months down the line due to the crunch in the supply of the fossil fuel.

- **Industry's share in bank loans at record low of 26%, shows data** - The share of industrial credit in banks loans, after years of sluggish growth, declined to a record low of 26 per cent during the first five months of FY22, down from 26.6 per cent during FY21. At its peak in FY13, industrial credit accounted for nearly 46 per cent of loan disbursements.
- **Coal supply improves at 61 thermal plant units with less than 4-day stock** - Coal shortage at thermal power projects is still continuing as number of non-pit head projects having less than four days of coal (supercritical stock) rose to 61 on Tuesday from 58 on Monday, official data showed.
- **Retail inflation for farm, rural workers eases to 2.89%, 3.16% in September** - Retail inflation for farm workers and rural labourers eased to 2.89 per cent and 3.16 per cent, respectively, in September, mainly due to lower prices of certain food items. "Point-to-point rate of inflation based on the CPI-AL (Consumer Price Index-Agricultural Labourers and CPI-RL (Consumer Price Index-Rural Laborers) stood at 2.89 per cent and 3.16 per cent in September 2021 compared to 3.90 per cent and 3.97 per cent respectively in August 2021," the labour ministry said in a statement.
- **High oil prices will undermine global recovery, warns India** - India, the world's third-largest energy consumer, recently warned that high oil prices will undermine global economic recovery, and nudged Saudi Arabia and other OPEC nations to work towards affordable and reliable supplies.
- **India sticks to stand on fisheries, farm subsidies amid WTO D-G visit** - India will continue to stand its ground on long-pending issues pertaining to agriculture and fisheries subsidies at the World Trade Organization (WTO), said a senior government official yesterday.
- **Australia, India partner to boost bilateral trade and investment** - With an aim to boost industrial and manufacturing activity and to drive economic growth, India has partnered with Australia in areas such as agri food, mining, infrastructure, healthcare and education. Leaders and ministers from India and Australia came together under the Australia-India Business Exchange (AIBX) 2021 Business Leaders Forum and featured Hon Dan Tehan MP, Australian Minister for Trade, Tourism and Investment and senior business speakers.
- **China's curbs on fertilizer exports may affect India, says report** - Chinese authorities are imposing new hurdles for fertilizer exporters amid growing concerns over surging power prices and food production, a move that could worsen a global price shock and food inflation.
- **Gross NPAs of banks may decline to 6.9% by March 2022: Report** - Gross non-performing assets (NPAs) and net NPAs of banks are likely to decline to 6.9-7 per cent and 2.2-2.3 per cent, respectively, by the end of March 2022 as compared to 7.6 per cent and 2.5 per cent, respectively, as of March 31, 2021, according to a report by rating agency ICRA.
- **Crystal Crop Protection to acquire cotton, mustard, pearl millet and grain sorghum hybrids in India** - Crystal Crop Protection, a leading R&D based crop solution company, has entered into a definitive agreement with Bayer to acquire cotton, mustard, pearl millet and grain sorghum hybrids in India. Both organizations will work together to close the transaction by December 2021.
- **India all set to cross the milestone of 1 billion jabs today** - India is set to cross the milestone of administering one billion Covid-19 vaccine doses today, just over nine months after the government initiated the mammoth immunization drive in the second most populous country in the world.
- **Formal sector jobs created by EPFO jumps by 48% in August 2021: Payroll data** - Formal sector jobs created under the Employees Provident Fund Organisation jumped by 48% in August 2021 at 1.48 million compared to 1 million created in August 2020 while it is 37% more than pre-Covid levels, shows the provisional payroll data by EPFO. Net new enrollments under EPFO stood at 1.08 million in August 2019.

- **Government keen to expand Pradhan Mantri Jan Arogya Yojana: VK Paul** - NITI Aayog member VK Paul said that the government is keen to expand the ambit of its flagship health insurance scheme the Pradhan Mantri Jan Arogya Yojana and called upon states and industry to align with it to make it a high volume and modest return model of healthcare.
- **Commission for Air Quality Management (CAQM) actively taking up strict compliance of dust mitigation measures at Construction and Demolition (C&D) sites in the NCR** - In view of the fact that dust emanating from Construction & Demolition (C&D) sites is a major consistent source of air pollution, the Commission for Air Quality Management in NCR and Adjoining Areas (CAQM) has been actively taking up with the GNCTD and State Governments of Haryana, Rajasthan and Uttar Pradesh (U.P.) for strict compliance of dust mitigation measures at C&D sites.
- **Indigenous knowledge shared by Gujarat-based farmer can combat Mastitis, an ailment of dairy cattle** - Utilizing indigenous knowledge system shared by a farmer from Gujarat, a poly-herbal and cost-effective medicine has been developed to treat Mastitis, an infectious disease of dairy cattle. The medicine called Mastirak Gel, developed by National Innovation Foundation (NIF) has been commercialized through the industry partner Rakesh Pharmaceuticals. It can be purchased at medical stores supplying veterinary medicines in various parts of the country.
- **Raksha Mantri launches web-based project monitoring portal for Military Engineer Services** – Hon'ble Raksha Mantri ShriRajnath Singh launched Web Based Project Monitoring Portal (WBPM)for Military Engineer Services (MES) at New Delhi on 20th October 2021. The portal conceptualized in accordance with the Digital India Mission of the Union Government, has been developed by Bhaskaracharya National Institute for Space Applications and Geo-informatics (BISAG-G).
- **India considering strategic reserves for natural gas, imported coal**- India is considering maintaining strategic reserves of natural gas and imported coal to address future supply shocks, as the energy hungry nation battles a crippling coal shortage. A surge in power demand combined with a fall in imports due to high global coal prices have lead to supply disruptions and power cuts lasting up to 14 hours a day, despite record supplies from state-run Coal India, the world's biggest coal mine.
- **Fuel prices hiked again; diesel above Rs 99/litre from Srinagar to Chennai**- Petrol and diesel prices were hiked by 35 paise per litre each, the second consecutive day of increase that took pump rates across the country to record high levels. The price of petrol in Delhi rose to its highest-ever level of Rs 106.54 a litre and Rs 112.44 per litre in Mumbai, according to a price notification of state-owned fuel retailers.
- **Indian economy poised to grow by 10.5% or more in FY22: Shri Rajiv Kumar, NITI Aayog**- The Indian economy is poised to grow by 10.5% or more in FY'22 despite several supply side constraints on the back of strengthened recovery in the July-September period and jump in exports, NITI Aayog vice chairman Shri Rajiv Kumar said.
- **All indicators pointing towards sharp economic recovery: Hon'ble Commerce and Industry Minister Shri Piyush Goyal** - All indicators, including GDP, foreign direct investment (FDI) inflows and exports growth, are pointing towards a clear and sharp economic recovery in the country, Hon'ble Commerce and Industry Minister Shri Piyush Goyal said. He said forex reserves have constantly grown from USD 433 billion in September 2019 to USD 638 billion in September this year, while FDI inflows in the first four months of the current fiscal rose by 62 per cent, which is higher than the corresponding figure last year.
- **Flush with cash, Indian companies eye capex, investment push**- Sitting on healthy cash reserves and aided by stronger balance sheets post Covid, India Inc is looking to step up its capital expenditure and investment plans. Industry captains and analysts say a mix of factors such as accommodative monetary policy and lower

interest rates, reduced corporate tax rates and government incentives such as production-linked incentive (PLI) scheme, global liquidity and an upward commodities cycle are fueling optimism among companies.

- **Rapid Covid vaccination drive navigates India's economy towards swift revival from global pandemic aftershocks-** The revival of the Indian economy from the impasse of global pandemic gains momentum with the nationwide rapid COVID vaccination drive. According to the Ministry of Finance, India's economic recovery gained impulse in September, enthused by the ebbing of the COVID second wave, fast-paced vaccinations, and enhanced mobility, which is currently at around 90 % of the pre-pandemic level.
- **PSU banks likely to get capital support in Q4 to meet regulatory requirements-** The government is likely to pump capital in public sector banks during the last quarter of the current financial year to meet the regulatory requirements. The government in the Budget 2021-22 has made an allocation of Rs20,000 crores for the capital infusion in the state-owned banks. The capital position of banks would be reviewed in the next quarter, and depending on the requirement, the infusion will be made to meet the regulatory needs.
- **Cabinet approval sets the implementation of PM GatiShakti National Master Plan (NMP) in motion-** The Cabinet Committee on Economic Affairs (CCEA) has approved PM GatiShakti National Master Plan including institutional framework for rolling out, implementation, monitoring and support mechanism for providing multi-modal connectivity. Hon'ble Prime Minister launched PM GatiShakti NMP for multi-modal connectivity on 13th October, 2021. Implementation framework includes Empowered Group of Secretaries (EGOS), Network Planning Group (NPG) and Technical Support Unit (TSU) with required technical competencies. EGOS will be headed by Cabinet Secretary and will consist of Secretaries of 18 Ministries as members and Head of Logistics Division as Member Convener. The EGOS has been mandated to review and monitor implementation of the PM GatiShakti NMP to ensure logistics efficiency. It is empowered to prescribe framework and norms for undertaking any subsequent amendments to the NMP. EGOS shall also set out the procedure and definitive framework for synchronization of various activities, and ensure that various initiatives of infrastructure development are part of the common integrated digital platform. EGOS will also look at the interventions required to meet the demand side, in efficiently transporting bulk goods on the requirement of various Ministries like Steel, Coal, Fertilizer, etc.
- **India poised to become \$5-trillion economy by 2024-25: Hon'ble Union Minister Shri Hardeep Singh Puri-** Hon'ble Union Minister Shri Hardeep Singh Puri on Thursday exuded confidence that India will become a USD five-trillion economy by 2024-25 and USD 10-trillion by 2030. Speaking at a virtual conference of PAFI India, Puri said, "Economic growth is accelerating. India is poised for growth to become a USD 5 trillion economy by 2024-25 and USD 10-trillion economy by 2030.
- **India hopeful of early outcome on TRIPS waiver proposal at WTO-**India is hopeful of an early outcome at the World Trade Organization (WTO) on its proposal seeking patent waivers on Covid-related medical products including vaccines, officials said. New Delhi took up the issue with the WTO director general Ngozi Okonjo-Iweala who is on a three-day visit to India ahead of the 12th Ministerial Conference (MC12) of the WTO starting on November 30.
- **India, UK looking at interim trade agreement: Foreign Secretary Shri Harsh Vardhan Shringla-** India and the UK are looking at concluding an interim trade agreement amid negotiations towards a Free Trade Agreement (FTA). Addressing the India Global Forum (IGF) in London virtually from New Delhi that British Foreign Secretary Liz Truss visit to India, expected over two days starting Friday, will add further momentum to the partnership as it coincides with the UK's Carrier Strike Group (CSG) arriving in Mumbai for joint exercises.
- **Tea, coffee exports find the RoDTEP rates inadequate-** Exports of tea and coffee, the two main beverages exported from India, are finding the rates announced under RoDTEP (Remission of Duties and Taxes on Exported Products) inadequate in the face of uncertainty in exports which has increased as the pandemic hit key export markets like Iran, Egypt, Russia, USA, UAE and UK, where the cafes and tea lounges and boutiques are yet to open up fully. They have urged the ministries of commerce and finance to increase the

RoDTEP rate so that they can get some respite.

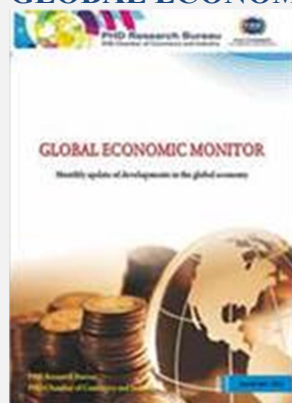
- **India pushes for rotation system to appoint officers in WTO bodies-** India has proposed a rotation system for the appointment of officers to World Trade Organization (WTO) bodies to achieve balanced representation of members from different groups. The current practice of Developed Group alternating with the other regional groups should be done away with as this amounts to reverse special and differential treatment for developed countries, India has told the WTO. Citing lack of transparency and clear cut guidelines in the current process.
- **Converting Northeast as economic hotspot can energise ASEAN-India partnership-**Converting Northeast as an economic hotspot in India's Act East Policy and utilizing connectivity in uniting rest of the Cs in 3Cs, Commerce and Culture can energise ASEAN-India partnership. This was highlighted in the webinar on ASEAN-India: Harnessing Connectivity and Supply Chain Resilience, organized by ASEAN-India Centre (AIC) at Research and Information System for Developing Countries (RIS) run up to coming 18th ASEAN-India Summit.
- **India's strong external position to keep taper tantrum at bay-** Foreign investors have remained net investors in Indian markets since the FOMC minutes were out where Fed has been more vocal about the taper-Bond buy back. Various data points like the armoury country's forex reserves and import cover of reserves- even as global prices are rising- are much better than during the taper tantrum of 2013. Hence taper tantrums would be kept at bay.
- **CBDT issues refunds of Rs 92,961 crores to 63.23 lakh taxpayers-** The Central Board of Direct Taxes (CBDT) has issued refunds of over Rs92,961 crores to more than 63.23 lakh taxpayers from April 1 to October 18, the Income Tax Department said on Thursday. "CBDT issues refunds of over Rs92,961 crores to more than 63.23 lakh taxpayers from April 1, 2021 to October 18, 2021. Income tax refunds of Rs.23,026 crores have been issued in 61,53,231 cases and corporate tax refunds of Rs.69,934 crores have been issued in 1,69,355 case," the Income Tax department tweeted.
- **Centre's Rs2,000-3,000 crores scheme to digitalise Primary agriculture cooperative societies (PACs) on anvil-** The Union Cooperation Ministry is working on a new central scheme to modernise and digitalise over 97,000 primary agriculture cooperative societies (PACs) spread across the country, with a budget outlay of around Rs2,000-3000 crores over the next five years. Primary agriculture cooperative societies (PACs) -- commonly known as agri-cooperative credit societies -- are village-level lending institutions based on cooperative principles. They provide short and medium term loans to rural people to meet their financial requirements.
- **Blue collar hiring sees significant uptick across job categories-** The worst of the pandemic for the Indian job market could most likely be behind us, with recovery lying ahead. Blue collar hiring is seeing a significant uptick across job categories, especially in the delivery and retail segments. There has been a 320% growth in overall new job openings added in the blue collar hiring market during Q2 (July-September) of FY22 compared to the previous quarter, with a concentration on the jobs in the retail and delivery segments, finds data from Qjobs, Qness Corp's blue collar jobs app.
- **Launch of NITI Aayog's Atal Innovation Mission Digi-Book Innovations for You Sector in Focus – Health Care-** NITI Aayog's Atal Innovation Mission (AIM) has launched – "Innovations for You" an attempt to showcase the success stories of Atal Innovation Mission's Startups in different domains. These startups have worked to create new, disruptive and innovative products, services, and solutions that can pave a path for a sustainable future. The first edition of this book is focused on innovations in Health Care and soon other sectors shall follow.

Newsletters

PHD Research Bureau has released newsletter on Global Economic Monitor for the month of September 2021, which

disseminates information on latest updates on global macroeconomic indicators including growth, inflation, trade, financial markets, policy developments, among others.

GLOBAL ECONOMIC MONITOR FOR THE MONTH OF OCTOBER 2021



Markets So Far

Indicators	Yearly			Monthly		Daily		
	2018	2019	2020	August 2021	September 2021	19 th October 2021	20 th October 2021	21 th October 2021
BSE SENSEX	36068	41253	47751	55238	58781	61716	61260	60923
GOLD (10 GRMS)	30600	34813	46985	47119	46579	47388	47363	47380
CRUDE OIL (1 BBL)	4437	4007.8	2966	5047	5232	6175	6258	6117
EXCHANGE RATE (INR/USD)	68	70.4	74.11	74.17	74.13	75.10	74.79	74.83

Source: PHD Research Bureau, PHDCCI, compiled from BSE, MCX and Bloomberg

Warm Regards,

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