

Weekly Compendium of Economic and Business Developments

(Period ending 29th October, 2021)

PHD Research Bureau disseminates information to the members of PHD Chamber & other Industry stakeholders on various economic and business development issues at International, National and Sub-national arena such as Hon'ble Union Minister for MSME Shri Narayan Rane launched "SAMBHAV" National Level Awareness Programme, 2021, ADB, India Sign US\$251 Million Loan for Integrated Urban Flood Management in Chennai and ADB, India Sign US\$100 Million Loan for Agribusiness Development in Maharashtra among others. The details of disseminated information during the week ending 29th October 2021 are appended.

Indian Economy

- [Hon'ble Union Minister for MSME Shri Narayan Rane launched "SAMBHAV" National Level Awareness Programme, 2021](#)- Hon'ble Union Minister of MSME Shri Narayan Rane has called for engagement of the youth in promoting entrepreneurship leading to the economic development of the country. Launched "SAMBHAV", a National Level Awareness Programme-2021 being organised by Ministry of Micro, Small & Medium Enterprises, Government of India, in New Delhi today, he emphasized that new products and services created by budding entrepreneurs can give a cascading effect, for stimulating related businesses or sectors. The Minister was accompanied by Hon'ble Minister of State Shri Bhanu Pratap Singh Verma and Secretary MSME Shri BB Swain.
- [ADB, India Sign US\\$251 Million Loan for Integrated Urban Flood Management in Chennai](#)- The Asian Development Bank (ADB) and the Government of India signed a US\$251 million loan for climate-resilient, integrated urban flood protection and management in the Chennai-Kosasthalaiyar basin to strengthen the resilience of Chennai city to floods. The project interventions will help reduce the vulnerability of Chennai-Kosasthalaiyar basin residents to frequent floods, which have in recent years destroyed property and livelihoods. "Building disaster-resilient infrastructure will help communities cope with intensifying rainfall, a higher sea level rise, and a storm surge caused by cyclones, and protect lives, economy, and the environment.
- [ADB, India Sign US\\$100 Million Loan for Agribusiness Development in Maharashtra](#)- The Asian Development Bank (ADB) and the Government of India signed a US\$100 million loan to promote agribusiness network to boost farm incomes and reduce food losses in the state of Maharashtra. The project supports agribusiness development in Maharashtra with holistic support to onfarm improvement in productivity, up gradation of post-harvest facilities, and establishing efficient marketing structures to benefit horticulture producers.
- [India, ADB sign project readiness financing loan to support urban mobility in Mizoram](#)-The Government of India and the Asian Development Bank signed a US\$4.5 million project readiness financing (PRF) loan to

support project preparation and design activities to improve urban mobility in Aizawl, the capital city of the northeastern state of Mizoram. After signing the agreement, Shri Mishra said that the PRF supports the development of long-term solutions to improve urban mobility in Aizawl by identifying high-priority urban transport investments for the ensuing project and enhance its readiness by supporting due diligence and other preparatory activities.

- [Hon'ble Prime Minister launched PM Ayushman Bharat Health Infrastructure Mission-](#) Hon'ble Prime Minister Shri Narendra Modi has launched PM Ayushman Bharat Health Infrastructure Mission. He also inaugurated various development projects worth around Rs 5200 crore for Varanasi. Addressing the gathering, the Hon'ble Prime Minister said that the country has achieved a major milestone of 100 crore vaccine doses in its fight against the corona epidemic. Hon'ble Prime Minister said that with the blessings of Baba Vishwanath, with the unwavering glory of Maa Ganga, with the unshakable faith of the people of Kashi, the campaign of free vaccine for all is progressing successfully.
- [Hon'ble Prime Minister addressed the nation on achieving the milestone of 100 crore vaccinations-](#) Hon'ble Prime Minister Shri Narendra Modi addressed the nation on achieving the milestone of 100 crore vaccinations. Addressing the nation, the Hon'ble Prime Minister lauded the difficult but remarkable feat of administering 100 crore vaccine doses. He attributed this achievement to the dedication of 130 crore countrymen and said this success is the success of India and the success of every countryman. He said 100 crores vaccinations are not just a figure, but a reflection of the strength of the country, it is the creation of a new chapter of history. This is a picture of a new India that sets difficult goals and knows how to achieve them.

Our Voice

India has the potential to reduce import dependency through National Capital Goods Policy: PHD Chamber-PHD Chamber of Commerce and Industry appreciates the move of the Government to empower the textiles sector through the National Capital Goods Policy. This policy takes a step forward towards setting a goal of becoming 7.5 trillion by 2025 as envisioned by Hon'ble Industry and Textile Minister Shri Piyush Goyal Ji. The policy would be effective to uplift the textile industry to increase its participation at the global level. The policy will support the vision of "Aatmanirbhar Bharat" and improvise scalability, quality and affordability of Indian manufacturing goods and create millions of jobs by 2025. The Indian textile sector has seen an upward trend globally in recent years due to improving economic conditions, technological advancements, and an increase in end-use applications. These interventions are cost-effective, durable, user-friendly and eco-friendly. Thus, the Indian textiles industry has led to an upsurge in its demand in the global market. Going ahead, the National Capital Good Policy will give us an ample opportunity to realise the vision of a self-reliant and resilient India. The focus should be more on becoming a global player in producing textiles and machinery and making the textile sector more vibrant.

PHD Chamber Appreciates The Improved Fiscals Scenario In The Country- While the growing tax revenues are likely to narrow down the fiscal deficit estimate of the Government for FY 2022 at 6.8%, the subsidies and other schemes of Government are likely to bloat it. Though the subsidies are weighing on the fiscal deficit, however, amid the global and domestic scenario where the prices of commodities, especially the fuel, are skyrocketing, the continuation of the subsidies by the Government becomes essential. Similarly, the extension of distribution of free food grains under the Pradhan Mantri Garib Kalyan Anna Yojana has been an appreciable and much needed move to support the poor during the difficult times caused by the pandemic COVID-19. At this juncture, it is highly encouraging to note that the direct tax and indirect tax revenue collections (including GST) have been

robust in the recent months and have registered significant year-on-year growth rates in the current financial year so far, thereby enhancing the revenues of the Government, added Mr Multani. Going ahead, it is suggested that the more and more subsidies should be extended through the means of direct benefit transfers to bring in the efficiency. Along with this, there is a need to rationalise the direct tax rates to increase the tax compliance and further expand the tax base and collections. This will help in balancing the fiscal situation of the country.

Expedite Cargo Clearance at Airports, especially in Delhi Airport: PHD Chamber- There is immense congestion in cargo clearance at Airports, especially in Delhi Airport Cargo Terminals due to sudden change in rules of screening export cargo by Bureau of Civil Aviation Security (BCAS). The order regarding the change in the operational method of x-ray of cargo (Aviation Security Service (AVSEC) Order no. 11/2015) state that before delivery to air carrier, all cargo processed at the terminals shall be subject to 100% X-Ray screening at piece level. This decision of screening cargo on a piece level basis is a cumbersome task, which requires more manpower and x-ray machines, said Mr. Multani. We do not want to play with security of the country but there should be system to stop the congestion by increasing x-ray machines and manpower. Businesses should run smoothly and there should not be any impact on export sector. High congestion at the airport due to slow cargo clearance, the average time for a shipment has increased from 12 hours to 1-2 days, shippers have to pay higher demurrage, and even some export orders are getting affected. The new rule is putting the air cargo supply chain under pressure resulting in higher trade costs. Thus, a significant handholding is required to support the trade and industry for attaining the high growth trajectory in the coming times. PHD Chamber urges the Government to enhance x-ray machines and manpower at airports to enhance trade facilitation and ease of doing exports, said President, PHD Chamber of Commerce and Industry.

Economy so far

- **UNCTAD calls for climate waiver, peace clause for developing nations' trade-related green measures-** Ahead of the upcoming UN COP26 climate summit, the United Nations Conference on Trade and Development (UNCTAD) on Thursday suggested a limited climate waiver of World Trade Organization (WTO) trade and environment rules combined with a 'peace clause' for disputes on trade-related environmental measures of developing countries.
- **Coal Supply to Power Plants Keeps Increasing-** Coal supply to power plants has indicated steady increase for the last many days. As per Central Electricity Authority (CEA) report the coal stock with power plants stood at 9.028 Million Tonnes (MT) as on 26th October, 2021. With daily increase in coal stock for the last nine days, 5 days' stock is available at the end of the Thermal Power Plants. (TPPs) In around a week's time it is likely to reach 6 days' buffer stock. Coal consumed on daily basis by the TPPs is replenished by coal companies. Coal supplies to TPPs have been increasing consistently which is evident from the rise in stock at the Power Plant end which has started rising and average increase during last one week is more than two lakh tonne per day.
- **Remarks by Prime Minister Shri Narendra Modi at the 18th India-ASEAN Summit-** We all faced a lot of challenges due to the Covid-19 pandemic. But this challenging time in a way was also the test of India-ASEAN friendship. Our mutual cooperation and mutual sympathy since Covid times will continue to strengthen our relationship in future and will be the basis of goodwill among our people. History is witness that India and ASEAN have had vibrant relations for thousands of years. This is also reflected in our shared values, traditions, languages, texts, architecture, culture, cuisine etc. And therefore, the unity and centrality of ASEAN has always been an important priority for India. This special role of ASEAN, India's Act East Policy

which is contained in our Security and Growth for All in the Region i.e. "SAGAR" policy.

- **Green hydrogen can boost India's energy security; decarbonisation of economy**-India has taken bold steps towards meeting its Paris Climate Change (COP21) commitments and exponentially increasing renewable energy capacity. India has already achieved emission reduction of 28% over 2005 levels, against the target of 35% by 2030 committed in its NDC (nationally determined contributions). India is anticipating that 80-85% of the country's electricity demand will be met from renewable sources by 2050. India ranks fifth globally in installed solar capacity now.
- **IMF advises RBI to go slow on reserves accumulation**- After the US treasury labelled India as a currency manipulator on and off, now IMF has also given a word of advice to the RBI on its intervention policy in the foreign exchange market. Lauding India's policy efforts to push reserves and strengthen its external position, the multilateral agency have advised the central bank against excessive forex market intervention." Further accumulation of reserves is less warranted, and foreign exchange intervention should be limited to addressing disorderly market conditions" IMF said in its recently released country report for India.
- **Hon'ble Finance Minister Smt. Nirmala Sitharaman to attend G-20 joint finance, health ministers meet in Rome**- Hon'ble Finance Minister Smt. Nirmala Sitharaman will attend the G-20 joint Finance and Health Ministers meeting in Rome on October 29, which among other things will discuss COVID pandemic prevention and response.
- **Zeroing-in on doubling output, exports of ODOP items in 5 years**- Agra's leather products and marble engraved handicrafts, Aligarh's locks, moonj products from Amethi and Prayagraj, jaggery from Ayodhya, handloom products of Hardoi and Barabanki, zari-zardozi from Bareilly, Unnao and Shahjahanpur, chikankari of Lucknow and Moradabadi metal craft are some of the products whose production and exports are likely to see a massive jump in the coming years as Uttar Pradesh aims to double their output.
- **Indian utilities' Sept coal imports at more than 7 year-low despite call to boost shipments**- Indian utilities' coal imports fell more than 73% in September to their lowest in more than seven years due to high prices, government data showed, despite a call by the federal government to boost shipments to arrest a crippling coal shortage. Imports by Indian utilities fell to 1.08 million tonnes in September, compared with 4.03 million tonnes in the same period in 2020 and 5.23 million tonnes in September 2019. Import data for periods preceding April 2014 were unavailable.
- **With Rs1.1 lakh crores budget, stage set for big capital expenditure push**- Uttar Pradesh has planned a massive capital expenditure push in the current fiscal. More than a fifth of its Rs5.5 lakh crores budget for FY22, or Rs1.14 lakh crores, is set aside for capital spending. The state is focusing on creating infrastructure; bringing electricity, roads and water to every household; and making every village digital. Equal focus has been given on increasing farmer income amid protests, and employment generation.
- **CxO Meets organised across 5 States under Deen Dayal Upadhyaya Grameen Kaushalya Yojana as part of Azadi Ka Amrit Mahotsav**- Industry leaders from across 18 major sectors came together in a series of CxO Meets organised under the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) held between 15th to 21st October, 2021. The CxO Meets were facilitated by State Rural Livelihood Missions (SRLM) from the States of Assam, Jharkhand, Madhya Pradesh (MP), Tamil Nadu (TN) and Gujarat, commemorating 75 years of Indian independence under Azadi Ka Amrit Mahotsav.

- Government of India releases balance amount of 44,000 crores to States and UTs (with Legislature) under the back-to-back loan facility in-lieu of GST compensation-** The Ministry of Finance has released 44,000 crores today to the States and UTs with Legislature under the back-to-back loan facility in lieu of GST Compensation. After taking into account earlier release of 1,15,000 crore 75,000 crore released on 15th July, 2021 and 40,000 crores released on 07th October, 2021), total amount released in the current financial year as back-to-back loan in-lieu of GST compensation is 1,59,000 crores.
- Finance ministry approves 8.5% return on PF deposits for FY21-**The finance ministry has given its go ahead to 8.5% rate of interest on provident fund deposit for 2020-21 paving way for the Employees' Provident Fund Organisation to credit the interest in accounts of over 60 million beneficiaries. The move is expected to bring some cheer a week ahead of Diwali. Labour secretary Sunil Barthwal confirmed the development to ET. "Approval was received from the finance ministry today. It will be notified as soon as possible," he said.
- Inflation could singe Indian consumers as manufacturers hike prices-** Indian manufacturers are raising prices to pass on to consumers some of the burden of costlier energy and raw materials, which threatens to dent demand as well as a recovery from the COVID-19 pandemic, business leaders and economists say. Prices of items from tea, coffee and biscuits to toothpaste and electric components have risen 4% to 10% in the last quarter, while construction supplies, such as cement and sanitary ware, have added as much as a fifth, they said.
- Mahanadi Coalfields Limited signs MoUs for Skill Development Projects-** Mahanadi Coalfields Limited (MCL), Ministry of Coal, under its CSR initiative has signed today two MoU with an investment of Rs1.38 crore with the Central Institute of Petrochemicals Engineering & Technology (CIPET), Bhubaneswar for providing skill development training to the youths from the peripheral villages of mining areas. These two CSR initiatives namely 'Udaan' and 'Sahyog' will help 40 youths from peripheral villages to join a two-year full-time ITI training in fitter/electrician trades and 30 divyangjan to join a six month-long skill training programme respectively.
- Rs3-Lakh crores investments in 4.5 years show Uttar Pradesh top choice for investors now Hon'ble state minister for industrial development, Shri Satish Mahana -** Uttar Pradesh has become the preferred destination for investors in the past four-and-a-half years, the Hon'ble state minister for industrial development, Shri Satish Mahana, told Vatsala Gaur in an interview. The state has attracted investments of more than 3 lakh crore during this period, half of which have materialised while the remaining half are being processed, he said.
- Indian used car market to grow 12-14% in next few years-** The Indian used car market is expected to reach a size of over 70 lakh vehicles by 2025-26, up from 38 lakh in 2020-21, growing at around 12-14 per cent over the next few years, according to a study. The pre-owned car industry is expected to clock a growth rate of 15 per cent in FY22 as the COVID-19 pandemic, digitalization, changing demographics and aspirations, first-time buyers, and availability of financing options acting as growth drivers.
- Most sectors of economy on way to reach pre-pandemic levels, surpass them: NCAER-** the city-based thinktank NCAER on Thursday said that most of the sectors are on their way to reach pre-pandemic levels and surpass them. "The economic news has been favourable on balance, on account of better than projected fiscal outcomes, a rebound in most high-frequency indicators, and another impetus to policy reform, including a hitherto inconceivable privatisation of Air India," the National Council for Applied

Economic Research (NCAER) said in its monthly review of the economy.

- **ILO revises upwards estimate for loss of work hours globally in 2011 due to Covid** - The International Labour Organisation has revised upwards its estimate for loss of work hours globally in 2021 due to the pandemic to 4.3% below pre-pandemic levels, higher than 3.5% estimated in June.
- **As crude likely to hit 2008 highs, could rise to INR 150 for a litre of petrol** - Technical analysis shows that global crude-oil prices, currently trading at USD85 per barrel, could soon surpass USD110 and touch their previous life-time high of USD147 per barrel seen in 2008. As the government is unlikely to go easy on high taxes, there is no relief in sight for the consumer.
- **LPG price may be hiked next week; petrol, diesel rates up again** - Cooking gas LPG prices may be hiked next week after under-recovery on the fuel widened to over Rs100 per cylinder, sources said insisting that the rate hike, including the quantum of increase, is dependent on government permission.
- **MFIs should not throw caution to wind for higher asset growth, returns:** RBI Deputy Governor - Reserve Bank of India Deputy Governor M Rajeshwar Rao yesterday said that while the central bank will foster growth in the microfinance (MFI) sector, the lenders in the space should not throw caution to the wind to achieve higher asset growth and returns.
- **View: A digital rupee and cryptocurrencies can (and should) co-exist** - Cryptocurrencies will not replace fiat currencies. But, ongoing innovations are forcing central banks around the world to consider a centrally-backed version of cryptocurrencies, also known as Central Bank Digital Currencies (CBDCs), or digital Rupee in India's case.
- **Proactive measures to be taken to enhance financial viability of Fair Price Shops: Secretary, Food** - The Secretary, Department of Food and Public Distribution, Shri Sudhanshu Pandey in a video conferencing on enhancing financial viability of Fair Price Shops stressed on the need of taking proactive measures for the same. He mentioned that different State/UTs can take up initiatives and tailor it to suit their individual requirements. He also advised States/UT to conduct continuous awareness and outreach campaign simultaneously to sensitize FPS dealers on the benefits of these initiatives.
- **Swap rates in India surge as traders see Reserve Bank turning hawkish** - Swap rates are rising in India in a sign that traders expect the central bank to roll back monetary stimulus quicker than expected despite its reassurances.
- **Income tax refunds of Rs over 1 lakh crore issued during this fiscal: CBDT** - Refunds of over Rs 1,02,952 crore have been issued to the taxpayers during the current financial year, the CBDT said on yesterday. The Central Board of Direct Taxes (CBDT) frames policy for the Income Tax Department.
- **CBDT expands Form 26AS info list; includes foreign remittances, MF buys** - The income tax department has expanded the list of high-value financial transactions which would be available to taxpayers in their form 26AS by including details of mutual fund (MF) purchases, foreign remittances, as well as information in ITRs of other taxpayers. Form 26AS is an annual consolidated tax statement that can be accessed from the income-tax website by taxpayers using their Permanent Account Number (PAN).
- **India can bring SCO countries together to produce startup leaders, unicorns: DPIIT secretary** - India can

meaningfully contribute in bringing together the Shanghai Cooperation Organisation (SCO) countries to produce startup leaders and unicorns, industry secretary Anurag Jain said recently.

- **ADB, AIIB processing US\$ 2 billion loan for India to buy COVID-19 vaccines** - China-based Asian Infrastructure Investment Bank (AIIB) along with the Asian Development (ADB) are currently processing a USD 2 billion loan for India to purchase COVID-19 vaccines.
- **Government draft policy proposes to cut approval timelines for innovative products by 50%** - A draft policy document prepared by the Department of Pharmaceuticals under Ministry of Chemicals & Fertilizers proposed to cut down the time taken for regulatory approvals for innovative products by at least 50% within the next two years.
- **FADA seeks legislation to safeguard interests of automotive dealers** - Automobile dealers' body FADA sought legislation to specifically look into the OEM-dealer issues in the wake of several foreign companies shutting operations in the country, leaving their customers and dealers in the lurch. The sudden exits adversely impact the interests of consumers who are often left with no avenues for after-sales services and with resale value of their vehicles nose-diving.
- **NHAI Invite to hit on Friday, plans to raise Rs8,000 crores** - National Highways Authority of India (NHAI) will launch its maiden Infrastructure Investment Trust (InvIT) on 29 October, with which it aims to mop up Rs 8000 crore, as part of the government's long-term plans to monetise road assets.
- **US President Biden urged not to impose CAATSA sanctions on India** - Two powerful US Senators recently urged President Joe Biden not to impose provisions of the punitive CAATSA against India for buying the S-400 surface-to-air missile system from Russia.
- **Hon'ble Union Minister Dr Jitendra Singh says, an institutionalised mechanism will be evolved to make Academia and Industry essential stakeholders in scientific innovation** – Hon'ble Union Minister of State (Independent Charge) Science & Technology; Hon'ble Minister of State (Independent Charge) Earth Sciences; Hon'ble MoS PMO, Personnel, Public Grievances, Pensions, Atomic Energy and Space, Dr Jitendra Singh said that an institutionalised mechanism will be evolved to make Academia and Industry essential stakeholders in scientific innovation.
- **Hon'ble Raksha Mantri Shri Rajnath Singh delivers keynote address at Indo-Pacific Regional Dialogue 2021** - India is fully determined to protect its maritime interests, while it supports the maintenance of rule-based maritime systems, as mandated under UN Convention on the Law of Seas (UNCLOS), 1982. This was stated by Hon'ble Raksha Mantri Shri Rajnath Singh while delivering the keynote address at Indo-Pacific Regional Dialogue (IPRD) 2021, being held virtually from October 27-29, 2021.
- **Hon'ble Union Minister for MSME Narayan Rane launched "SAMBHAV" National Level Awareness Programme, 2021** – Hon'ble Union Minister of MSME Shri Narayan Rane has called for engagement of the youth in promoting entrepreneurship leading to the economic development of the country. Launching "SAMBHAV", a National Level Awareness Programme-2021 being organised by Ministry of Micro, Small & Medium Enterprises, Government of India, in New Delhi, he emphasized that new products and services created by budding entrepreneurs can give a cascading effect, for stimulating related businesses or sectors.
- **Hon'ble Union Minister Shri G. Kishan Reddy and CM of Karnataka Shri Basavaraj Bommai to address**

conference of Tourism and Culture Ministers of the Southern Region in Bengaluru - Ministry of Tourism is organising conference of Tourism and Culture Ministers of the Southern Region on 28th & 29th October 2021 in Bengaluru. The two days' programme will have presentations by various Ministries including M/o Tourism, M/o Shipping, M/o Railways and M/o Environment, Forest and Climate Change, Archaeological Survey of India, NeGD, Niti Aayog to apprise the participants about the various projects and initiatives being taken by the Central Government for the development of the region.

- **Hon'ble Union Minister for Health and Family Welfare and Chemicals & Fertilizers Dr. Mansukh Mandaviya inaugurates and addresses the Investor Summit** - "Opportunities and Partnerships in Pharmaceuticals & Medical Devices" - Hon'ble Union Minister for Health and Family Welfare and Chemicals & Fertilizers Dr. Mansukh Mandaviya addressed the Investor Summit - "Opportunities and Partnerships in Pharmaceuticals & Medical Devices. The summit was organized by Department of Pharmaceuticals, in partnership with Invest India as part of the vision to further strengthen India's position globally in terms of Pharmaceuticals and Medical Devices. Hon'ble Union Minister for Health and Family Welfare and Chemicals & Fertilizers Dr. Mandaviya said that India is rightly called the pharmacy of the world. It is the largest manufacturer and supplier of the generic medicines. During COVID, it supplied medicines to more than 150 countries of the world.
- **Government, industry discuss new ecommerce rules-** The government has initiated "detailed interactions" with companies and industry associations that had sent suggestions on the proposed amendments to the Consumer Protection (E-Commerce) Rules, 2020.
- **India, UK take part in maiden bilateral tri-service exercise 'Konkan Shakti 2021'**- The sea phase of the maiden bilateral tri-service exercise 'Konkan Shakti 2021' between the UK and Indian Armed Forces commenced off the Konkan coast in the Arabian Sea.
- **NCAER's business confidence index rises 90% in Q2-** Indicating signs of improvement, think-tank NCAER said its Business Confidence Index (BCI) increased by 90 per cent in the July-September this financial year over the first quarter. After the second COVID-19 wave, business sentiments recovered in the second quarter of 2021-22, compared to those prevailing in the preceding three months, NCAER said in a release.
- **Higher fuel and food prices dampen festive spirit for Indians-** Spiralling fuel prices, untimely rains and costlier kitchen staples like onion, potato and tomato are making it a tough festive season for Indian households. Prices of rice, both basmati and non-basmati, have also gone up. In some cities, tomato costs Rs 100 per kg, pinching the pockets of people.
- **Covid shrinks India's restaurant industry by half-** The restaurant industry, which was one of the hardest-hit by the two consecutive waves of the pandemic, contracted severely. The Indian food services industry has contracted by nearly 53% and more than a quarter of the restaurants have been permanently closed.
- **Shri Gadkari bats for green hydrogen; says India needs to reduce oil imports-** Batting for green hydrogen as a transport fuel, Hon'ble Union Minister Shri Nitin Gadkari said there is a need to make India a country that will not be dependent on imports of petrol and diesel. Green hydrogen is better than petrol and diesel. The transport sector is witnessing a big change.
- **Dearness Allowance hike to 31% effective from July 1, says Finance Ministry-** Dearness Allowance for central government employees has been hiked to 31 per cent of the basic pay from 28% with effect from

July 1, 2021, the Finance Ministry said. In an office memorandum, the Department of Expenditure, under the Finance Ministry, said the term 'basic pay' means the pay drawn as per the 7th pay commission matrix and does not include any other type of pay like special pay, etc.

- **Government receives Rs 533 cr from 4 CPSEs as dividend-** The government has received Rs 533 crore as dividend tranches from 4 CPSEs, this fiscal year. As per the Department of Investment and Public Asset Management (DIPAM) website, so far in the current financial year (April-March), the government has received Rs 8,572 crore as dividend from central public sector enterprises (CPSEs).
- **India's tax revenues likely to beat forecast on strong recovery – officials-** India's government expects tax revenues for the current financial year to be 10% above budget, beating forecasts for the first time in four years, two officials said, as the economy powers back towards pre-pandemic levels. Tax revenues, budgeted at 15.45 trillion rupees (\$206 billion) for the year to March 31, have been below projections ever since 2017-18, as the economy lost momentum even before COVID-19 and then slipped into a deep recession.
- **ADB, India Sign \$100 Million Loan for Agribusiness Development in Maharashtra-** The Asian Development Bank (ADB) and the Government of India signed a \$100 million loan to promote agribusiness network to boost farm incomes and reduce food losses in the state of Maharashtra. The project supports agribusiness development in Maharashtra with holistic support to on-farm improvement in productivity, upgradation of post-harvest facilities, and establishing efficient marketing structures to benefit horticulture producers.
- **Chip shortage may pull down auto volume growth to 11-13%: Report-** The ongoing chip shortage is likely to moderate passenger vehicle sales growth to 11-13 per cent this fiscal, down from the earlier volume growth forecast of 16-17 per cent, delaying the industry recovery as the waiting period is increasing amid strong demand due to production curbs, says a report.
- **Government planning semiconductor design-linked incentive policy-** The government is deliberating on a new semiconductor design-linked incentive scheme which envisages financial and infrastructure support for Indian MSMEs and startups right through the ideate stage to production stage. As and when these startups start producing and selling chips in the market, they shall also avail additional incentives under the scheme on their net sales turnover.
- **Hon'ble Civil Aviation Minister Shri Jyotiraditya Scindia virtually flags off first direct flight on Shillong-Dibrugarh route under UDAN-** Hon'ble Union Minister of Civil Aviation, Shri Jyotiraditya M. Scindia, virtually flagged off the first direct flight on the Shillong – Dibrugarh route under the Regional Connectivity Scheme – UdeDeshKaAamNaagrik (RCS-UDAN) of the Government of India.
- **NHPC pays final dividend of Rs 249.44 Crore to Government of India for FY 2020-21-** NHPC, a premier hydro power Company and a 'Mini Ratna' Category-I Enterprise of the Government of India has paid a final dividend of Rs. 249.44 Crore to Government of India for the F.Y. 2020-21 on October 21, 2021.
- **India's growing data usage, smartphone adoption to boost Digital India initiatives: Top bureaucrat-** India has the highest mobile data consumption rate at 12 Gigabytes or GB per user a month in the world, and the country is adding as much as 25 million new smartphone users every quarter making it a flourishing ground to launch digital initiatives, and materialise Prime Minister Narendra Modi's ambitious Digital India vision.
- **New Asian gas projects create \$379 bn stranded asset risk: Report-** A planned \$379 billion expansion of

gas infrastructure in Asia risks becoming stranded assets as the world turns away from fossil fuels. The key findings of the report include the \$379 billion in new gas infrastructure in Asia includes \$189 billion of gas-fired power plants, \$54 billion of gas pipelines, and \$136 billion of new liquefied natural gas (LNG) import and export terminals.

- **157 new medical colleges approved by PM Modi to ensure affordable treatment in India: Shri Mansukh Mandaviya-** Hon'ble Prime Minister Narendra Modi has approved the setting up of 157 new medical colleges to ensure that the people of the country get affordable treatment, said Hon'ble Union Health Minister Shri Mansukh Mandaviya.
- **Ayush Minister to Inaugurate Incubation Centre for Innovation and Entrepreneurship at All India Institute of Ayurveda-** Shri Sarbananda Sonowal, Hon'ble Minister of Ayush and Ports, Shipping and Waterways will inaugurate the Incubation Centre for Innovation and Entrepreneurship (AIIA- iCAINE) at All India Institute of Ayurveda (AIIA), on 29th Oct 2021 at a program organized in Vigyan Bhavan, New Delhi. A national seminar on "Start-ups in Ayush Sector- Scope and Opportunities (AYUR-UDYAMAH)" is also being organized on 30th October as a part of the program.
- **Nearly 65% of infrastructure projects delayed by Covid-induced lockdowns-** As many as 563 central sector infrastructure projects, comprising 65 per cent of the total 862 having definite timelines, were running behind schedule as on October 1 this year due to Covid-induced lockdowns in states and delays in land acquisition among other factors, official data showed. The projects taken up for monitoring cost at least Rs 150 crores.
- **Assam eases COVID restrictions as situation improves-** Assam eased COVID-related restrictions, limiting the night curfew from 11 pm to 5 am, in view of the improvement of the situation in the state, officials said. Issuing a new set of guidelines, Chief Secretary Jishnu Barua said 31% of the eligible population of the state have been fully vaccinated, while 95% got their first dose.
- **202 notices served for violation of LM (Packaged Commodity) Rules, majority notices deal with electronic appliances-** The Central Consumer Protection Authority (CCPA) under Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution has taken strong action on violations of consumer rights. In a run-up to the festive season, CCPA took stringent action to safeguard consumer interests. The violations involve declaring false country of origin on the products listed on e-commerce platforms and failure to declare country of origin. CCPA has taken suo-moto cognizance of the matter on the basis of complaints received from numerous consumers on the National Consumer Helpline portal.
- **Q3 growth poised for sequential rebound: Nomura:-** India's GDP growth appears poised for a sequential rebound in Q3, but industrial production could contract sequentially in September and October due to chip and coal shortages due to chip and coal shortages, group Nomura has said. global financial services Its separately released weekly tracker, the Nomura India Business Resumption Index (NIBRI), showed economic activity moderated to 105.3 for the week ended October 24 from an all-time high of 109.2 (revised up from 108.8) in the prior week. Despite the moderation, the index is still 5.3 percentage points above pre-pandemic levels.
- **Impartial audit essential for resilient economy, says Reserve Bank Governor Shaktikanta Das:-** Reserve Bank Governor Shaktikanta Das said on 25th October that fair and impartial auditing is essential for a resilient economy as it instils confidence among citizens. Addressing officers at the National Academy of

Audit and Accounts, Das said that audit is important for the country as public expenditure decisions are based on these reports. Observing that there is a need to improve the quality and depth of audit, he said the Reserve Bank has taken a host of steps in consultation the Institute of Chartered Accountants of India (ICAI) for improving the audit of banks and financial institutions.

- **Economy likely to register 9.5 pc growth this fiscal: Report:** - The economy is likely to register a 9.5 per cent growth this fiscal over 7.3 per cent contraction last year, as the ongoing recovery is faster and more credible than earlier foreseen, according to a foreign brokerage report. It will gather more momentum in the second half of the current fiscal, but will slow down to 7.7 per cent next financial year, it added. The government has budgeted for a 10.5 per cent growth this fiscal, but the Reserve Bank has scaled it down to 9.5 per cent.
- **India's rural economy shows uneven growth as Covid-19 spread eases:-**India's rural economy, which is known for its resilience to withstand economic shocks, is showing signs of uneven growth. On the one hand, investment in the rural sector seems to have taken off at a time when the pandemic seems to be relenting. Sales of heavy vehicles that help in farming and marketing have jumped more than 30 per cent, while those of construction equipment by more than 60 per cent since the beginning of 2019. On the other hand, rural consumer demand has stagnated. Rural sales of fast-moving consumer goods (FMCG) grew below 5 per cent in August and September.
- **India's rubber output dented by heavy rains in Kerala, to lift imports:-** India's natural rubber production is likely to fall sharply in October and November, as heavy rains have been disrupting tapping activity in the country's top producing southern state of Kerala, industry officials said on 25th October. Lower production could force India, the world's second-biggest consumer of natural rubber, to increase imports in the coming months from Indonesia, Malaysia and Thailand, supporting global prices.
- **RBI Governor advises auditors to be more vigilant and tech savvy:-** Reserve Bank of India governor Shaktikanta Das advised the auditors to be more vigilant , tech savvy and adopt a holistic approach while auditing entities and checking on their smart accounting practices. Of late the regulator has found many instances of malpractices where the auditor could step in and help in strengthening financial stability. The governor highlighted the of audit in checking the so called smart accounting practices followed by management to overstate profits .
- **Government may not infuse capital into state-run banks in FY23:-** The government may not allocate funds towards bank capitalisation in the FY23 budget, a first in a decade. This comes as all state-run banks have turned profitable and the newly set up bad bank is expected to help free up capital for lenders.
- **Dr. Mansukh Mandaviya to address the Investor Summit - "Opportunities and Partnerships in Pharmaceuticals & Medical Devices"** on 27th October, 2021:- As part of the vision to further strengthen India's position globally in terms of Pharmaceuticals and Medical Devices, the Department of Pharmaceuticals, in partnership with Invest India, will host an Investor Summit on 27th October 2021 at 10:00 AM – 4:30 PM via video conferencing. The theme of the summit is "Opportunities and Partnerships in Pharmaceuticals & Medical Devices". The summit will provide an opportunity for industry participants to engage in detailed technical sessions across the different themes.
- **Centre to support incubation of new method developed by Kerala-based farmer to control pests in cashew gardens:-** The Centre on Monday said it has taken up an innovative method to control pests in cashew

gardens developed by a Kerala-based woman farmer for necessary support and incubation activities. The woman farmer from Kannur district developed an innovative 'cashew multiples rooting propagation method' under which multiple roots are generated in a grown up cashew trees, thus improving production per unit of area, it said.

- **OECD global tax deal: Large Indian companies rethink overseas investment plans:-** Several large Indian companies exploring outbound investments have put their plans on hold following a global tax deal over concerns of additional taxes and compliance challenges related to the new framework adopted by the world's leading industrial bloc. Large companies, especially in the information technology (IT) and information technology-enabled services (ITeS) sectors, were looking to expand in the Middle East, Africa and other Asian countries.
- **Finance Ministry asks civil aviation ministry, DoT to expedite capex:-** Aiming to support the economic recovery, Hon'ble Finance Minister Mrs Nirmala Sitharaman on 25th October reviewed the progress of capital expenditure by the civil aviation ministry and the telecom department and asked them to ensure that project implementation is fast-tracked. The minister exhorted officials to oversee implementation of projects besides monitoring release of funds, an official statement said.
- **Formal jobs creation higher in August; 1.46 million net subscribers added to EPFO:** Mospi Formal job creation strengthened further in August with 1.48 million formal jobs created under the Employees' Provident Fund Organisation compared to 1.31 million created in July, a growth of 12.9%. Year-on year jump in net new subscribers under EPFO was 48% compared to August 2020 when it stood at one million.
- **Government likely to introduce 2 key financial sector bills in Winter Session-** The Government may introduce two key financial sector bills, including the proposed law for facilitating privatisation of public sector banks as announced by the finance minister in the Budget. The government is also likely to table amendments to the Pension Fund Regulatory and Development Authority (PFRDA) Act, 2013, to enable separation of the National Pension System Trust (NPS) from the PFRDA for ensuring universal pension coverage.
- **MGNREGS Outlay: Ministry seeks additional Rs 25,000 crores for rural jobs scheme -** With nearly 94% of the Rs 73,000-crore budgetary allocation under the Mahatma Gandhi National Rural employment scheme (MG-NREGS) having been spent, the rural development ministry has sought an additional outlay of Rs 25,000 crore in the supplementary budget for 2021-22.
- **Rising petrol, diesel prices make households in top-10 cities budget-conscious: Survey -** A majority of households (around 60 per cent) in top-10 cities of the country are spending during the ongoing festive season, but the rising prices of petrol and diesel and increased prices of essentials have made them more budget- or value-conscious, according to a survey released on Sunday. Online platform LocalCircles in its 'Mood of the Consumer' national survey covering over 61,000 households across top-10 cities claims to have seen a huge improvement in consumer sentiment.
- **Hon'ble Minister of Commerce and Industries, Consumer Affairs, Food and Public Distribution and Textiles Shri Piyush Goyal calls for free trade within rules-based multilateral trading system –** The Hon'ble Minister of Commerce and Industries, Consumer Affairs, Food and Public Distribution and Textiles, Shri Piyush Goyal has called for free trade within a rules-based multilateral trading system with honesty and transparency as core values. He added that wherever India faces an unfair or unjust treatment, it will take

reciprocal action.

- **India is China's top rice supplier during January–August this year** - India has become the top source of Chinese rice imports during January-August this year, with shipments in August alone accounting for 45 per cent of the total imports, the Foreign Agricultural Service (FAS) of the US Department of Agriculture (USDA) has said.
- **Engineering goods shipments cross US\$ 9 billion for the third month in a row in September** - Engineering goods shipments crossed US\$ 9 billion for the third month in a row in September with 22 out of 25 top export destinations such as China, UK and UAE recording positive growth. Out of 33 engineering product categories, 27 witnessed positive growth in exports during September 2021 when compared with the same month last year. Maximum year-on-year decline was witnessed in zinc; aircraft, spacecraft and parts; ships and floating structure and electrical machinery during this period.
- **India-UAE FTA talks: Duty relief likely for job-intensive sectors-** India is in talks with its third-largest export destination, the UAE, for duty-free market access in products ranging from gems & jewellery and textiles & garments to certain engineering goods like steel under a proposed free trade agreement (FTA). It would be the first FTA to be signed by India in just over a decade.
- **Smt. Nirmala Sitharaman holds meeting with UK Foreign Secretary, discussed ways to enhance biz ties –** Hon'ble Finance Minister Smt. Nirmala Sitharaman on 22nd October 2021 held a meeting with UK Foreign Secretary Liz Truss and discussed various areas in which both countries can cooperate with each other. Both leaders discussed investments in green energy, infrastructure, National Monetization Pipeline, FinTech and IFSCA as key areas for further collaboration between the UK and India.
- **Sri Lanka seeks USD 500-million loan from India for fuel purchases amid forex crisis** - The Sri Lankan Government on 23rd October 2021 said that it is continuing efforts to secure a USD 500 million loan from India to ensure fuel supplies amid a severe foreign exchange crisis in the island nation. The proposal has been sent to the Treasury for approval and would be submitted to the Cabinet thereafter," said Hon'ble Energy Minister Shri Udaya Gammanpila. The Cabinet had already sanctioned USD 3.6-billion loan from Oman for fuel purchases.
- **Important to restore faith in NBFCs, says Reserve Bank of India** - The Reserve Bank of India on Friday acknowledged that non-banking financial companies have face reputation loss due to failure of large entities in the recent times. Speaking at an event Hon'ble Deputy Governor Shri Rajeshwar Rao said that it was important to restore trust in these critical entities.
- **Credit grows by 6.47 % on Year on Year basis to Rs110.3 trillion in early October** - The credit dispensed by commercial banks in India rose by 6.47 per cent on a year-on-year basis (Y-o-Y basis) to Rs110.3 trillion as on October 08, 2021, according to Reserve Bank of India data. The pace of credit is shed higher than 5.7 per cent a year ago. But, it remains below the pre-pandemic level of 8.9 per cent in October of 2019.
- **Tracking kharif: As crops start arriving, most mandi prices rule below MSPs, may hit rural demand-** Mandi prices of eight out of 10 major monsoon-sown crops are currently ruling below their benchmark rates in leading producing states. This may help government to keep food prices in check even as it threatens to hit rural demand.

- **ISF seeks lower rate of contribution towards social security for entry-level workers** - The Indian Staffing Federation has sought a lower rate of contribution towards social security for entry level workers and reduction in GST rates for staffing firms from the current 18% to 5% arguing that employment services be treated as 'merit service'.
- **438 infra projects show cost overrun of Rs 4.3 lakh crore** - As many as 438 infrastructure projects, each worth Rs 150 crore or more, have been hit by cost overruns totalling more than Rs 4.3 lakh crore, according to a report. The Ministry of Statistics and Programme Implementation monitors infrastructure projects worth Rs 150 crore and above. Of the 1,670 such projects, 438 reported cost overruns and 563 were delayed.
- **India's road network can pave the path to rapid economic recovery in coming years** - The pulsating economy of a country depends on the roads that serve as its arteries. Therefore, road transport has emerged as a dominant segment with a share of 4.8 per cent in India's GDP. India witnessed a historic moment on September 9, 2021, when an Emergency Landing Strip (ELF) was dedicated to the nation at Gandhav-Bhakasar section on National Highway-925 at Barmer, Rajasthan, for Indian Air Force. This was the first time that a National Highway was used as an ELF for aircraft.
- **Pen makers ask Hon'ble Finance Ministry to reduce GST rate** - Pen manufacturers have sought a reduction in goods and services tax (GST), saying the Government's recent move to club all pens under the 18% GST bracket has pushed up cost and hit sales. Earlier, a GST rate of 18% was applied only on fountain pens and stylograph pens, while ballpoint pens were taxed at 12%.
- **Government to soon set up panel for National Employment Policy**- The Government will soon set up a committee to frame India's first National Employment Policy with an aim to significantly push up employment generation in the country. Work has begun to identify the members of the committee that is expected to have representatives from stakeholder ministries, academia, experts and representatives of employers and trade unions. The policy is expected to take into account the jobs estimated to be created under the production-linked incentive (PLI) scheme across a dozen sectors besides the rising number of gig workforce and platform workers in the country.
- **India, Australia working side by side to expand vaccine access across Indo-Pacific, says Scott Morrison** - India and Australia are working side by side in the Quad grouping to expand vaccine access across the Indo-Pacific, Australian Prime Minister Scott Morrison said recently as he wished his Indian counterpart Hon'ble Prime Minister Shri Narendra Modi and his government after India achieved the milestone of administering 100 crore COVID-19 vaccine doses.
- **Fourth Assembly of the International Solar Alliance closes with a promise to achieve \$1 trillion global in solar investments by 2030** - Hon'ble Minister of Power & Minister of New and Renewable Energy Shri RK Singh said that it is time for all of us to get together to make energy access using solar and renewable energy available.
- **A matchbox to cost Rs2 from Dec 1, price revision after 14 years** - The price of a matchbox is set to double from Re 1 to Rs2 - from December 1 because of an increase in the cost of raw materials used. The hike in price of a matchbox is after a gap of 14 years -- last time it was revised from 50 paise to Re 1 in 2007.

Journal and Newsletter

We are pleased to share the 3rd Edition of **PHD Chamber Journal of Ideas and Innovations (JII)**. The Journal is a great platform for facilitating innovative minds to express their ideas for the growth and development of the country. The journal publishes original manuscripts produced by academicians, researchers and students to help the policy makers to create a conducive policy environment for the people, trade and industry.

[PHD CHAMBER JOURNAL OF IDEAS AND INNOVATIONS FOR THE MONTH OF OCTOBER 2021](#)



PHD Research Bureau has released newsletter on State Development Monitor for the month of October 2021, which disseminates information the State level developments on various aspects of Economy, Industry, Physical and Social Infrastructure, Agriculture & Food Processing, Rural Development, Tourism, among others.

[STATE DEVELOPMENT MONITOR NEWSLETTER FOR THE MONTH OF OCTOBER 2021](#)



Markets So Far

| Indicators | Yearly | | | Monthly | | Daily | | |
|-------------------------|--------|--------|-------|-------------|----------------|-------------------|-------------------|-------------------|
| | 2018 | 2019 | 2020 | August 2021 | September 2021 | 26th October 2021 | 27th October 2021 | 28th October 2021 |
| BSE SENSEX | 36068 | 41253 | 47751 | 55238 | 58781 | 61350 | 61143 | 59984 |
| GOLD (10 GRMS) | 30600 | 34813 | 46985 | 47119 | 46579 | 47975 | 47697 | 47876 |
| CRUDE OIL (1 BBL) | 4437 | 4007.8 | 2966 | 5047 | 5232 | 6297 | 6217 | 6217 |
| EXCHANGE RATE (INR/USD) | 68 | 70.4 | 74.11 | 74.17 | 74.13 | 74.95 | 75.06 | 74.77 |

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

Warm Regards,

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