**Daily Economic News Summary: 06 October 2017**

**1. State signs MoU with Mastercard**

**Source: The Hindu** ([**Link**](http://www.thehindu.com/todays-paper/ap-signs-mou-with-mastercard/article19804500.ece))

The State government on 05.10.2017 entered into a memorandum of understanding (MoU) with Mastercard to pave way for digital financial transactions in a secure environment. The MoU would help the government in adopting and hastening innovations such as digital payments and launch financial inclusion programmes. AP state IT Adviser J.A. Chowdary and Mastercard CEO Ajai Bhanga signed the MoU in the presence of Chief Minister N. Chandrababu Naidu in New Delhi.

**2. India's economic slowdown an aberration: World Bank**

**Source: The Economic Times** **(**[**Link**](http://economictimes.indiatimes.com/articleshow/60960523.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)**)**

The recent slowdown in India's economic growth is an "aberration" mainly due to the temporary disruptions in preparation for the GST, the World Bank said today, pointing out that it will get corrected in the coming months. World Bank President Jim Yong Kim also said that the Goods and Services Tax (GST) is going to have a hugely positive impact on the Indian economy. Finance Minister Arun Jaitley would be leading the Indian delegation to the annual meeting next week. Kim was responding to questions on slowdown in India's growth in the first quarter, which the Opposition and several economists have attributed to demonetisation and the GST.

**3. Tencent scouts for more start-up deals, tracking Alibaba in India**

**Source: Live Mint (**[**Link**](http://www.livemint.com/Companies/ZWjVhFAMeQ2fsuMRoS2EoM/Tencent-scouts-for-more-startup-deals-tracking-Alibaba-in.html)**)**

Tencent Holdings Ltd is fast becoming one of the most influential and closely-watched investors in India’s internet business, as the Chinese giant looks to diversify outside its home market and match arch-rival Alibaba Group Holding Ltd in building a presence in India. So far, Tencent has invested $850-900 million in Indian start-ups, including $700 million in Flipkart Ltd. Tencent first invested in Indian start-ups in August 2015, when it led a $90 million round in digital health platform Practo Technologies Pvt. Ltd. Its other investment is messaging app Hike Ltd. The company is also in advanced talks to invest $400-500 million in Ola (ANI Technologies Pvt. Ltd), one person familiar with the matter said.

**4. GST Council meeting today, MSMEs, exporters may get relief package**

**Source: Live Mint (**[**Link**](http://www.livemint.com/Politics/VWId2KSvUGJMRH9GaqT1nO/GST-Council-meeting-today-MSMEs-exporters-may-get-relief-p.html)**)**

The Goods and Services Tax Council (GST Council) chaired by finance minister Arun Jaitley is likely to announce on Friday a special package for micro, small and medium enterprises (MSMEs) that will, among other things, address the concerns of exporters, as policymakers explore ways to fix an unexpected slowdown in economic growth. The package will also ease the onerous tax compliance requirements faced by these entities, a person familiar with the contents of the package said on condition of anonymity.

**5. Why Modi govt's track record is better than UPA's   
Source: The Economic Times (**[**Link**](http://economictimes.indiatimes.com/articleshow/60962093.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)**)**

Prime Minister Narendra Modi's stirring defence on 05.10.207 comes at a time when a narrative is emerging about his government's economic policies leading to India's economy taking a turn for the worse. The entire opposition has been targeting the government after former finance minister Yashwant Sinha accused Arun Jaitley for the economic slowdown. Vested interest groups are trying to create a Doomsday atmosphere. rollout have caused major disruption, effecting GDP numbers. However, before we declare GoI's economic policies as a failure, it is important to have a holistic view of the economy starting from the year 2004 when Congress was in charge.

**6. Fiscal and policy support for industry soon, says Suresh Prabhu**

**Source: The Hindu (**[**Link**](http://www.thehindu.com/business/Industry/fiscal-and-policy-support-for-industry-soon-says-suresh-prabhu/article19803099.ece)**)**

The Centre is firming up plans for fiscal and policy support to the industry in a bid to boost employment generation and the country's overall economic growth, according to Commerce and Industry Minister Suresh Prabhu. However, private sector representatives said it would take at least a year more for them to start re-investing in all the major sectors. Speaking to reporters on the sidelines of the World Economic Forum's India Economic Summit (WEF-IES), Mr. Prabhu said, “We are doing a sector-wise study... and finding out where there is scope for improvement to provide necessary policy as well as fiscal support... to create more jobs, enhance industrial production and boost the country’s growth, which is already on a high-growth trajectory.”

**7. India’s wind power tariff falls to a record low of Rs2.64 per unit**

**Source: Live Mint (**[**Link**](http://www.livemint.com/Industry/sMC62YoWv4LybaPZnKivMM/Indias-wind-power-tariff-falls-to-a-record-low-of-Rs264-pe.html)**)**

India’s wind power tariff fell to a record low of Rs2.64 per unit in an auction conducted by state-run Solar Energy Corp. of India (SECI) for 1 gigawatt (GW) of wind power contracts that ended on 05.10.2017. These tariffs are lower than the average rate of power generated by coal-fuelled projects of India’s largest power generation utility, NTPC Ltd, at Rs3.20 per unit. The price gap between electricity generated from thermal, solar and wind projects has been bridged. This is primarily due to costs of solar modules and wind turbine generators falling by 80% and 20%, respectively, over the past five years. Experts believe that such tariffs couldn’t have been expected earlier.