

03 OCTOBER 2026

ASSOCHAM India Monitor

· (AIM Weekly) ·

----- Vol. 7/Issue 1 -----

A comprehensive weekly tracker of India's
macroeconomic indicators ↗



GDP GROWTH



INFLATION



INDUSTRIAL OUTPUT



Top Economic Developments



State Developments



Top Statistics



Weekly Market Mood



ASSOCHAM Analysis



Sagarmala Finance Corporation Launches India's First Blue Bond

Sagarmala Finance Corporation Limited (SMFCL) launched India's first-ever Blue Bond on September 28, targeting funding for sustainable ocean and maritime-economy projects. This is a landmark development in India's green/blue finance ecosystem, opening a new sustainable-financing instrument specifically for the maritime and port-infrastructure sector.

SEBI Announces Reforms to Portfolio Management Services (PMS) Regulations

The Securities and Exchange Board of India announced reforms to its Portfolio Management Services framework this week, reported September 30, as part of continued efforts to strengthen investor protection and market-structure governance in India's wealth-management industry.

HAL-SkyPulse Sign ₹2,491 Crore, 30-Helicopter Leasing Programme

Hindustan Aeronautics Limited and SkyPulse signed a ₹2,491 crore helicopter leasing programme covering 30 helicopters across two phases, reported September 30. This is a significant development in India's domestic aviation and defence-manufacturing leasing ecosystem, reflecting growing private-sector participation in aircraft financing models.

India-NZ FTA Expected to Boost Agri and Processed Food Exports: Trade Body

A trade body said this week that the India-New Zealand Free Trade Agreement, expected to come into force by late October, will boost agricultural and processed food exports for India, reported September 30. This adds further detail to the FTA's anticipated sectoral impact, building on earlier reporting about its implementation timeline.

Cabinet Decisions

Cabinet approves Minimum Support Prices (MSP) for Rabi Crops

Government has increased the MSP of Rabi Crops for Marketing Season 2027-28. The absolute highest increase in MSP has been announced for Safflower at Rs.675 per quintal followed by Rapeseed & Mustard at Rs.413 per quintal. For Lentil (Masur), barley, gram, and wheat, there is an increase of Rs.390 per quintal, Rs.136 per quintal, Rs.83 per quintal and Rs.25 per quintal respectively.

Cabinet approves One Network, Smarter Traffic

The Central Government and the Government of NCT of Delhi to improve traffic management, transport infrastructure and urban mobility in the National Capital, a major technology-led initiative will now be taken up through the Intelligent Traffic Management System. The project will enable Delhi's existing road network to be managed more intelligently through real-time traffic data, adaptive traffic signals, automated enforcement and integrated command-and-control systems.

Cabinet approves Green Energy Corridor Phase-III scheme

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved the Green Energy Corridor Phase-III (GEC-III) scheme. This historic initiative will strengthen India's Intra-State Transmission System (InSTS) to enable evacuation of up to 135 Gigawatt (GW) of renewable energy across States/ Union Territories.

India's First Port-Based E-Methanol Plant Foundation Laid at Kandla, Gujarat

The foundation stone for India's first port-based e-methanol production facility was laid at Deendayal Port Authority in Kandla on September 26, by Gujarat Chief Minister Bhupendra Patel alongside Union Minister Sarbananda Sonowal and Assam Chief Minister Himanta Biswa Sarma. This marks a notable first for India's clean-fuel and green-shipping ambitions, directly complementing the government's green hydrogen push and reinforcing Gujarat's position at the centre of India's energy-transition infrastructure.

Odisha Sets Up CM-EAC on Lines of EAC-PM to Drive \$1.5 Trillion Economy Goal

Odisha established a Chief Minister's Economic Advisory Council, modelled on the central Economic Advisory Council to the PM, aimed at driving the state's ambition to become a \$1.5 trillion economy, reported September 30. This institutional innovation reflects growing state-level adoption of structured economic-advisory frameworks, building on Odisha's strong recent run of investment announcements.

Uttar Pradesh Receives ₹6,500 Crore in Investment Proposals in Just Five Days

Uttar Pradesh received investment proposals worth ₹6,500 crore over a five-day period, Invest UP announced on September 30, continuing the state's strong momentum following its multi-pronged push across electronics, toy manufacturing and regional development initiatives flagged in recent weeks

Odisha's SiCSem Semiconductor Project Secures Full SGST Exemption for 10 Years

Further details emerged this week confirming that Odisha's Unit Approval Committee for Special Economic Zones, under the Falta SEZ framework, has approved full exemption from net State GST for up to 10 years for the SiCSem silicon carbide semiconductor project near Bhubaneswar. This generous fiscal incentive structure is expected to significantly improve the project's financial feasibility and signals Odisha's aggressive incentive-based strategy to compete for high-value semiconductor investment

Mumbai Property Registrations Hit a 14-Year High for September

Mumbai recorded 12,622 property registrations in September 2026, a 5% year-on-year increase and the highest September total in over 14 years, according to a Knight Frank India report based on Maharashtra Department of Registrations and Stamps data. Festive-period registrations during Ganesh Chaturthi (September 14–25) alone totalled 5,379, up 22% year-on-year — the strongest festive showing in four years — though stamp duty revenue dipped 5% to ₹1,227 crore due to a shift in transaction mix. This is a meaningful state-level real estate statistic reinforcing continued homebuyer confidence in Maharashtra's largest property market.

Yeida Clears Key Industrial and Logistics Projects Near Noida International Airport

The Yamuna Expressway Industrial Development Authority (Yeida) cleared several key industrial and logistics projects aimed at spurring growth around the upcoming Noida International Airport, reported September 29 — a significant infrastructure-and-land-use milestone for one of India's most closely watched emerging industrial corridors

India's Net FDI Hits Five-Year High of \$7.35 Billion in July 2026

The Reserve Bank of India's monthly bulletin showed net FDI rising to a five-year high of \$7.35 billion in July 2026 — the highest since May 2021's \$8.80 billion — up 64% year-on-year, reported September 30. This is a significant positive signal for India's capital-account health, coming even as the country grapples with a widening current account deficit from elevated crude oil import costs, suggesting investor confidence in India's underlying growth story remains intact.

India's Gold Imports Fall Sharply to \$2.3 Billion in August from \$4.2 Billion in July

According to ICICI Bank Global Markets, India's gold imports fell to \$2.3 billion in August 2026 from \$4.2 billion in July, highlighting a cooling of physical gold demand, reported September 28. This moderation, coming even as gold prices themselves have been volatile, is a relevant data point for ASSOCHAM's trade-balance tracking, as lower gold imports help offset some of the pressure from the surging crude oil import bill.

NSE Market Capitalisation Stands at ₹477.05 Lakh Crore

India's NSE market capitalisation was recorded at ₹477.05 lakh crore as of September 25, 2026, providing a snapshot of aggregate investor wealth even amid the index's seven-week losing streak — a reminder that absolute market scale remains substantial despite near-term price weakness.

GST Collections Have Stabilised in the ₹1.90–2.00 Lakh Crore Range Through FY27

GST collections for FY2026-27 have consistently remained close to or above ₹1.90 lakh crore, with April and July 2026 both crossing the ₹2 lakh crore mark, according to consolidated government data reviewed this week — with festive-month collections (October) historically trending higher, setting up next month's GST print as a key indicator to watch following the Ganesh Chaturthi-driven consumption bump already visible in Mumbai's property registration data.

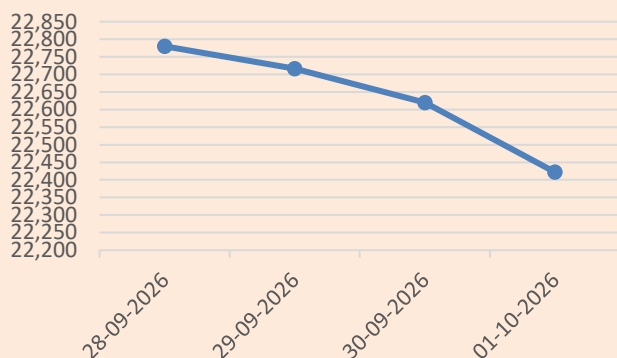
Industrial Production Accelerates Sharply to 8% in August, Manufacturing Up 9%

India's Index of Industrial Production grew 8% year-on-year in August 2026, released September 28, accelerating sharply from 6.7% in July, led by 9% growth in manufacturing and a strong 12.3% rise in electricity and gas supply. The IIP level stood at 123.3 in August against 114.2 a year earlier, with the manufacturing index at 126.6, while mining and quarrying lagged at 85.7. This is the standout statistic of the week — a genuinely strong industrial-output number that directly validates the robust core-sector data reported in prior weeks and reinforces India's growth momentum even amid external headwinds.

Indian Crude Basket Hits \$116.5 Per Barrel as Brent Crosses \$103, Retail Fuel Prices Stay Frozen

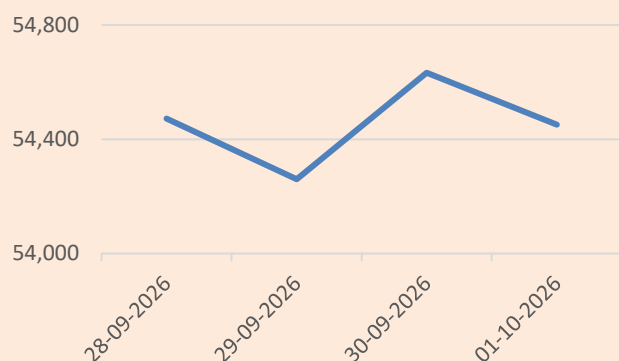
The Indian crude oil basket price touched \$116.5 per barrel as of September 29, 2026, according to PPAC data, even as Brent crude climbed above \$103 per barrel and WTI traded near \$89-90 on September 30 — with Brent up 7.3% over the past month and a striking 48.6% year-on-year.

NIFTY 50



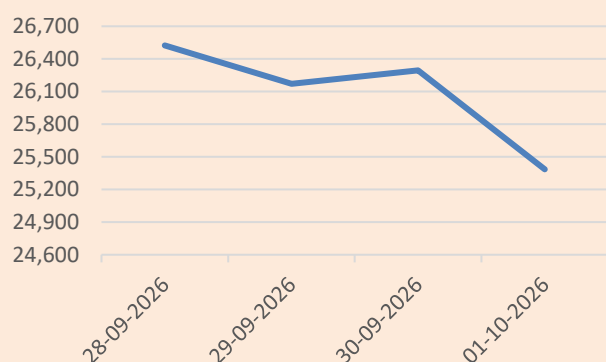
The Nifty 50 continued its steep decline, falling from 22,780 on September 28 to 22,422 by October 1 — a drop of ~1.6%, extending what is now an eighth consecutive week of losses. This sustained sell-off aligns with the broader risk-off environment flagged through late September — elevated bond yields (10-year at 7.11%), sustained FII outflows, and the ongoing Tata Sons governance crisis — even as crude oil eased somewhat from its earlier highs, suggesting domestic financial-market stress rather than crude alone is now the dominant driver.

NIFTY BANK



Bank stocks held up comparatively better, moving in a narrow range between 54,260 and 54,633, and ending the period at 54,451 — a modest decline of ~0.4%. This relative resilience versus the broader index continues the pattern seen in recent weeks, with banking stocks showing more stability even as the overall market remains under sustained pressure.

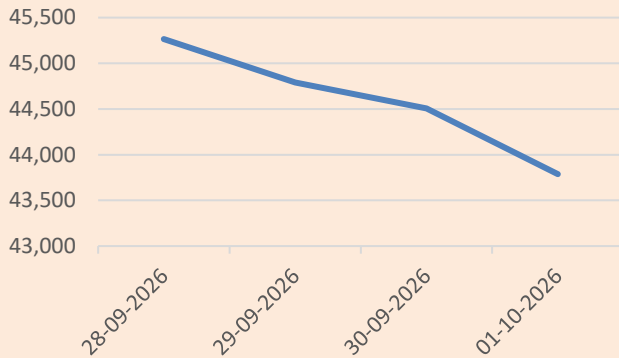
NIFTY AUTO



Auto stocks suffered the sharpest fall among the indices, dropping from 26,524 (Sep 28) to 25,385 (Oct 1) — a steep decline of ~4.3%, with the bulk of the fall concentrated in the final session alone (26,294 → 25,385, a single-day drop of ~3.4%). This marks a significant reversal for a sector that had been relatively resilient; the sharp final-day plunge suggests a specific trigger — possibly renewed concerns over festive-season demand, rising input costs, or a broader risk-aversion spillover from the equity-wide sell-off — that disproportionately hit auto counters.

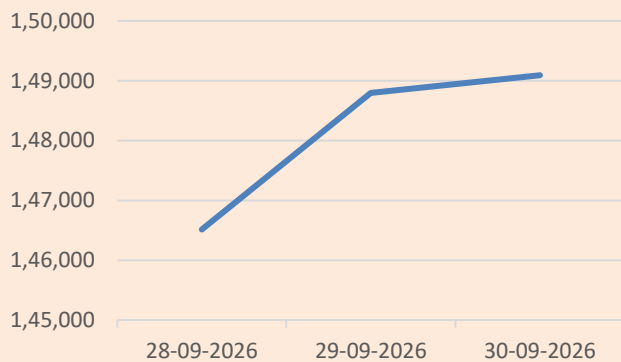
Date	USD (INR / 1 USD)	GBP (INR / 1 GBP)	EUR (INR / 1 EUR)	JPY (INR / 100 JPY)
01/10/2026	95.9927	127.2214	108.6151	60.6700
30/09/2026	95.9832	127.1886	108.9368	61.1600
29/09/2026	96.0321	127.1654	109.1286	61.0600
28/09/2026	95.9681	127.0320	109.2043	60.8800

NIFTY FMCG



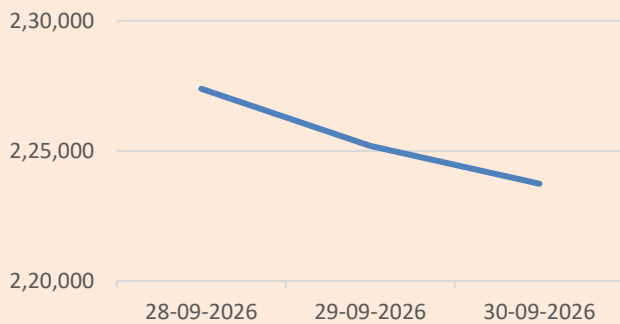
FMCG stocks extended their decline sharply, falling from 45,265 (Sep 28) to 43,787 (Oct 1) — a drop of ~3.3%, the steepest percentage fall among the indices after Auto. This marks a reversal of the brief recovery seen in the prior week, with the renewed weakness likely reflecting the same broad risk-off pressure hitting consumption-linked stocks, compounded by persistent food-inflation concerns (WPI food at 7.05%, CPI food at 5.95%) continuing to squeeze both margins and demand outlook heading into the festive season.

Gold (INR/10 GM)



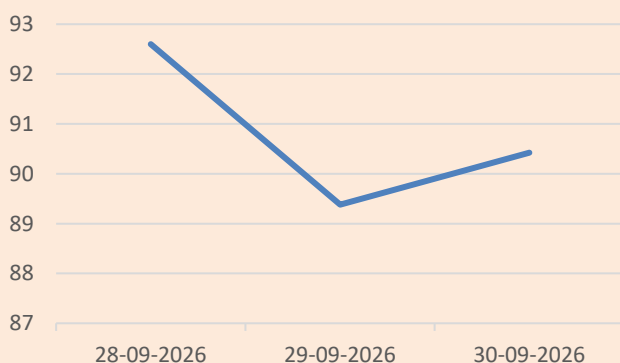
Gold moved sharply higher, rising from ₹1,46,513 (Sep 28) to ₹1,49,092 (Sep 30) — a gain of ~1.8%. This renewed strength, in contrast to the metal's decline in the preceding week, likely reflects safe-haven buying returning in force as equity markets fell sharply and financial-market stress intensified — a classic flight-to-safety response as the broader risk-off mood deepened.

Silver (INR/KG)



Silver moved in the opposite direction to gold, falling from ₹2,27,390 (Sep 28) to ₹2,23,740 (Sep 30) — a decline of ~1.6%. This divergence from gold is notable and likely reflects silver's industrial-demand component coming under pressure as the sharp equity sell-off (particularly in Auto, a key industrial-silver-consuming sector) signalled weakening near-term manufacturing and consumption sentiment, outweighing the safe-haven pull that was supporting gold over the same period.

Crude (\$/BL) Price



Crude oil eased from \$92.60 (Sep 28) to \$90.42 (Sep 30) — a decline of ~2.4%, continuing its gradual cooling from the acute mid-September spike. This continued moderation offers some relief to India's import bill and inflation outlook, though at \$90+ per barrel, crude remains significantly elevated versus earlier-year levels, and this easing was clearly not enough to offset the sharp equity and auto-sector declines seen over the same period.

All India Index of Industrial Production (IIP) for August 2026

Industrial Production (IIP) recorded 8.0% growth in August 2026.

Key Highlights

- The growth rates of the four sectors, Mining & Quarrying, Manufacturing, Electricity & Gas Supply and Water Supply, Sewerage & Waste Management for August 2026 are (-) 5.6 percent, 9.0 percent, 12.3 percent and 6.3 percent respectively.
- Within the Manufacturing sector, 18 out of 23 industry groups recorded positive growth. The top three positive contributors for August 2026 are "Manufacture of motor vehicles, trailers and semi-trailers" (25.2%), "Manufacture of electrical equipment" (30.9%), and "Manufacture of other transport equipment" (25.3%).
- Based on Use-Based Classification, the top three positive contributors to IIP growth in August 2026 are Intermediate Goods, Capital Goods and Consumer Durables, with growth of 13.7%, 16.9% and 11.1% respectively.
- In the industry group "Manufacture of motor vehicles, trailers and semi-trailers", item groups "Auto Components, Spares and Accessories", "Passenger Cars", and "Commercial Vehicles" have shown significant contribution in growth.
- In the industry group "Manufacture of electrical equipment", item groups "Electrical Apparatus for Switching or Protecting Electrical Circuits (e.g., Switchgear, Circuit Breakers/Switches, Control/Meter Panels) and Parts Thereof", "End-Face Connectors for Optical Fibres and Cables" and "UPS and Solid-State Drives" have shown significant contribution in growth.

Key Observations for August 2026

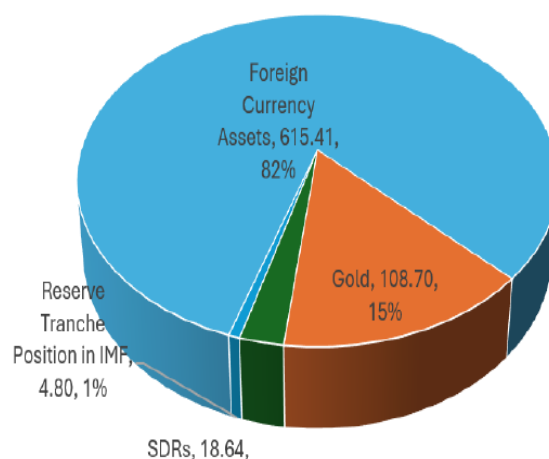
- Manufacturing growth accelerated to 9.0% in August 2026, building on the strong performance of the previous two months. The cumulative April–August growth remained healthy at 7.4%, reflecting sustained momentum across the manufacturing sector and continued expansion in industrial activity.
- Capital Goods output grew 16.9% in August, while Intermediate Goods grew 13.7%. Their cumulative April–August growth stood at 16.3% and 10.0% respectively, highlighting healthy investment activity and strong demand for production inputs. Infrastructure/Construction Goods also recorded 6.4% growth, supporting the overall industrial outlook.
- Electricity & Gas Supply recorded 12.3% growth in August, with electricity generation rising 13.3%. Renewable electricity generation grew 15.4%, while non-renewable generation increased 12.3%. The strong performance of electricity generation points to continued strength in overall economic and industrial activity.
- Mining & Quarrying recorded a contraction of 5.6% in August, while Metallic Minerals continued to perform positively with 5.0% growth. The cumulative April–August mining index was 2.0% below the corresponding period of the previous year.

INDIA'S FOREIGN EXCHANGE RESERVES STOOD AT USD 747.56 BILLION

ASSOCHAM Perspective

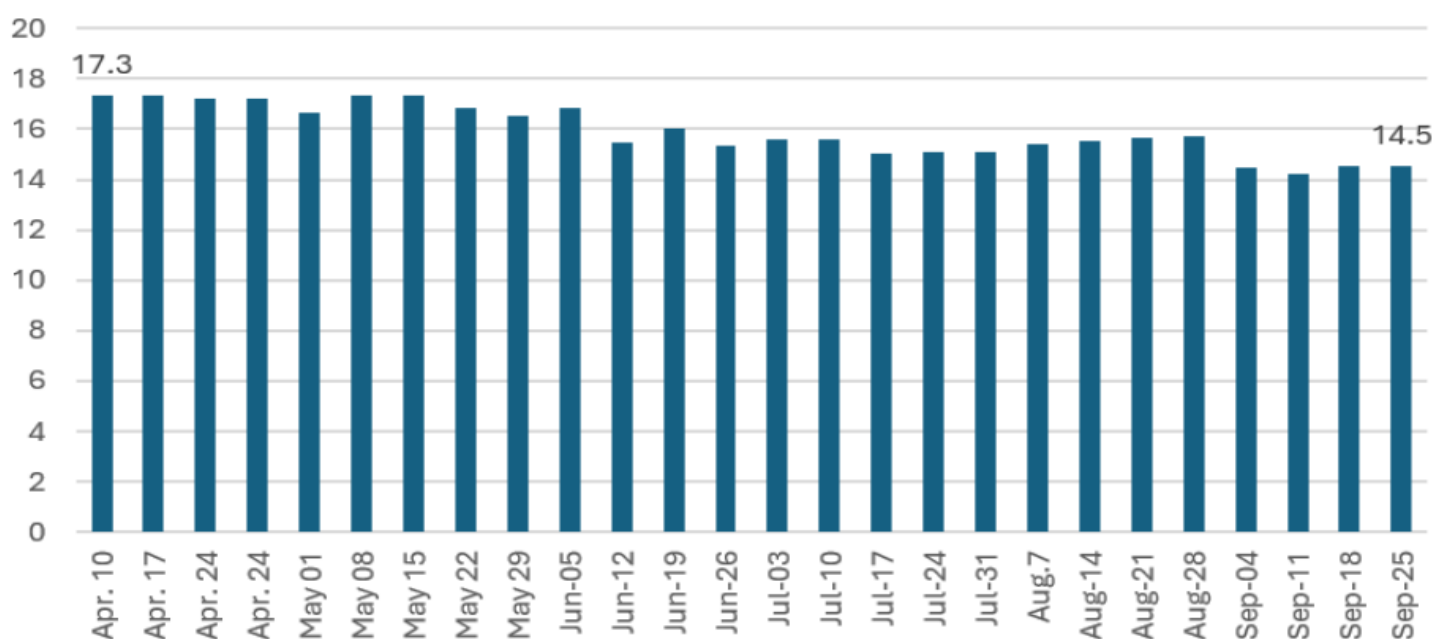
- India's Forex reserves as on 25 September 2026 stood at USD 747.56 billion registering a decline of USD 18.34 billion compared to last week's reserve levels.
- Foreign currency assets which constitute a major part of forex reserves recorded at USD 615.41 billion down by USD 15.57 billion as compared to last week.
- Gold, the second largest component recorded a value of USD 108.70 billion.
- Reserve position at IMF and SDR registered a slight decline for the week ending 25 September as against last week.
- Reserves have declined for third consecutive week after increasing for eleven weeks in a row upto September 4 to the level of USD 785.7 billion.
- The share of Gold in India's forex reserves has remained ~14.5% in the month of September as against more than 17% seen in the beginning of current financial year.

Forex Position as on 25 Sep 2026 (USD Bn)



Share of Gold in Forex Reserve (%)

Share of Gold in Forex Reserves (%)



(Source: RBI)

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ASSOCHAM Global Research Team

Dr. S. P. Sharma
Chief Economist

Ms. Ruchi Singhal
Additional Director

Ms. Yatika Gupta
Joint Director

Ms. Arun Singh Rathore
Deputy Director

Ms. Avneet Kaur
Senior Executive

Corporate Office ASSOCHAM

4th Floor, YMCA Cultural Centre and Library Building,
01, Jai Singh Road, New Delhi - 110001



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chiefeconomist@assocham.com

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