



Public Finance

Kerala's suit raises questions on States' right to borrow, Centre's power to limit

The Supreme Court of India order referring a suit filed by Kerala, challenging the Centre's decisions curtailing its borrowings, to a Constitution Bench is a welcome development. The Court declined to grant an interim order to restore the position prior to the imposition of borrowing limits by the Centre, but the referral will give a larger Bench an opportunity to examine the extent to which the Union government may regulate a State's borrowings. *(The Hindu)*

India's improving savings-investment dynamic amid lower deficits

The current account, reflecting the difference between domestic savings and investments, has seen a significant reduction in India since the taper tantrum, falling from 4.8% of GDP in FY13 to an average deficit of 1.1% per annum from FY14 to FY21. This reduction is attributed to a decrease in investment as a percentage of GDP, outweighing the decline in overall domestic savings. *(The Economic Times)*

Centre gets a dividend boost as receipts from state-run undertakings surpass revised estimates by 26% to Rs 63,000 cr

In March, the government received hefty dividend tranches from ONGC (Rs 2,964 crore), Coal India (Rs 2,043 crore), Power Grid Corporation of India (Rs 2,149 crore), NMDC (Rs 1,024 crore), HAL (Rs 1,054 crore) and GAIL (Rs 1,863 crore). *(The Economic Times)*

Finance Ministry releases additional ₹3.4kcr for rural jobs guarantee scheme

MGNREGS received additional ₹3,400 crore, raising total allocation to ₹89,400 crore. Person-days exceeded targets. 10% wage hike during 8.4% growth. 'Below normal' 2023 monsoon affected work demand projections. *(The Economic Times)*

Govt garners Rs 16,507 crore via public sector enterprises disinvestment in FY24

The budget had pegged disinvestment proceeds for 2023-24 fiscal at Rs 51,000 crore. However, the revised estimates (RE) on February 1, 2024, did away with separate head for disinvestment receipts. *(The Economic Times)*

Dividend from non-financial CPSEs at ₹63,749 crore

In the fiscal year 2023-24, the government's dividend collections from non-financial central public sector enterprises and entities with minority stakes reached a record high of ₹63,749 crore, showing a 27.5% increase over the revised estimate. However, disinvestment proceeds fell slightly short of expectations, totaling ₹16,507 crore, mainly due to the IDBI Bank sell-off process spilling over into the current fiscal year *(The Economic Times)*

Tamil Nadu approaches SC against Centre's 'step-motherly treatment'

The Tamil Nadu government has moved the Supreme Court, saying the Centre is giving it a "step-motherly treatment" by not releasing relief funds for damages caused by natural calamities. In a petition, the state has urged the court to direct the central government to extend over ₹37,000 crore of aid towards relief for damages caused by the recent floods and Cyclone Michaung. The state argues that the Centre's delay in funds release is discriminatory and violates fundamental rights. The state has requested the release of ₹19,692.69 crore for Cyclone Michaung damage and ₹18,214.52 crore for heavy rainfall in Tamil Nadu's southern districts. *(The Economic Times)*

Ministry of Finance debunks falsehoods: New tax regime clarified, no changes on horizon

Ministry of Finance posted, "Ministry of Finance posted on X, "It has come to notice that misleading information related to new tax regime is being spread on some social media platforms. It is therefore clarified that: There is no new change which is coming in from 01.04.2024....." *(The Economic Times)*



Taxation

March's gross GST of ₹1.78 lakh crore lifts FY24 revenue to ₹20.2 lakh cr.

Gross Goods and Services Tax (GST) revenue hit its second-highest level of ₹1,78,484 crore in March, even as the pace of growth in collections slowed to 11.5%, from February's 12.5%. This lifted the tally for 2023-24 by 11.6% to a little over ₹20.18 lakh crore. Net GST revenue, after accounting for refunds, grew at a faster pace of 18.4% in March to touch ₹1.65 lakh crore, compared with February when they had grown 13.6%. For the full financial year, net GST revenue were ₹18.01 lakh crore, a 13.4% growth. *(The Hindu)*

No change in income tax slabs from April 1, 2024: Finance Ministry

The Finance Ministry clarified on X (formerly known as Twitter) on March 31 that no new changes to the tax regime will take effect from April 1, 2024. Depending on their preferences and financial circumstances, taxpayers can select either the old or new tax regimes. Moreover, there is an option to opt out of the new regime until the filing of their return for the Assessment Year 2024-25, the Finance Ministry stated. *(Business Standard)*

HC nixes GST notice to Maersk staff

The Bombay High Court strikes down ₹3,731 cr. demand by GST officials against employees of global logistics major Maersk for alleged tax evasion; the judgment could bring relief to other employees at companies embroiled in GST disputes. Terming it "highly unconscionable and disproportionate" for revenue officers to hold employees responsible for liabilities of the company, a division bench of Justice G.S. Kulkarni and Justice Firdosh P. Pooniwalla held it would not be incorrect to contend that the purpose of issuing the show cause notice to the petitioner who is merely an employee, was designed to threaten and pressurise them. *(The Hindu)*

Only Principal Commissioners or Higher Officials can Probe into GST, Other Sensitive Matters: CBIC

The Central Board of Indirect Taxes and Customs (CBIC) has made prior approval of high-ranking officials of the level of principal commissioner or above mandatory for investigation, search or questioning in GST (goods and services tax) related matters

concerning large industrial houses, multinationals and those with national implications. *(The Economic Times)*

I-T dept issues notices to start-ups over receipt of share premium money

Income tax authorities have issued notices to several start-ups in connection with the share premium money they received a couple of years ago. The department has asked for details of the nature and the source of the investments and the creditworthiness of the investors. It has also questioned the valuation and pricing of the shares issued to the investors by the start-ups and asked for a justification for the said valuation. *(BusinessLine)*

Govt meets tax collection target of over Rs 34.37 trn for 2023-24

The government has broadly met the tax collection target of over Rs 34.37 trillion for 2023-24 on the back of robust economic activity and improved compliance, an official said. "Overall targets for tax revenue have been met," the official told PTI. The government had raised the target for direct tax collection in FY24 (April 2023 to March 2024) to Rs 19.45 trillion, while for indirect taxes (GST+ Customs + Excise) the target was lowered to Rs 14.84 trillion in the revised estimates (RE) presented in Parliament on February 1, 2024. *(Business Standard)*

Govt hikes windfall tax on crude to Rs 6,800 for 5th time since Feb

The Indian government has raised its windfall tax on petroleum crude for the fifth time since February to Rs 6,800 (\$81.43) a metric tonne from Rs 4,900 with effect from April 4, the government said in a notification on Wednesday. The windfall tax, which is revised fortnightly, remains at zero for diesel and aviation turbine fuel. *(Business Standard)*

Tax evasion of Rs 730 cr by TMT bar makers detected

The Director General of Goods and Services Tax Intelligence (DGGI) has detected a tax evasion of Rs Rs 30 crore by TMT steel bar makers through claim of input tax credit using fake invoices, officials said. The Meerut unit of DGGI had received intelligence that several TMT bar makers were filing documents on behalf of non-existent companies naming them as suppliers and claiming input tax credit. The official quoted above said these companies outsourced the transportation of non-duty paid goods from the factory gate to many dealers and recipients, without paying any duty to the authorities. *(The Economic Times)*

ITR e-verification time limit: Tax department notifies changes in ITR Verification form

The CBDT notification has clarified that income tax returns (ITRs) need to be e-verified within 30 days of uploading, otherwise they will be considered invalid. The Central Board of Direct Taxes (CBDT) has notified certain changes in the ITR-V form. ITR-V form stands for 'Income Tax Return-Verification' Form. *(Financial Express)*



National Accounts and State of the Economy

Indian Economy Projected To Grow At 7.5% In 2024 Says World Bank

World Bank stated in a latest update that the Indian economy is projected to grow at 7.5% in 2024, revising upwards its earlier projections for same period by 1.2%. India, which accounts for the bulk of the region's economy, output growth is expected to reach 7.5% in

FY23/24 before returning to 6.6% over the medium term, with activity in services and industry expected to remain robust, the World Bank noted. It also opined that rapid increases in investment and government consumption supported the latest expansion in local economic growth. *(Business Standard)*

RBI has transitioned into being enabler for market economy: Shaktikanta Das

“The Reserve Bank's evolution as an institution has been closely intertwined with the development of the Indian economy. From being a central bank primarily concerned with allocating scarce resources during the planning period, the Reserve Bank transitioned into an enabler for the market economy. We are a full-service central bank, with our functions spanning multiple dimensions. It has been our endeavor to promote a financial sector that is robust, resilient, and future-ready,” said Das, while speaking at the RBI@90 event marking 90 years of the central bank on Monday. *(Business Standard)*

Key indicators suggest economy remains buoyant at end of FY24: NCAER

Key markers point to the buoyancy of the Indian economy at the end of FY 2023-24. The Purchasing Manager's Index (PMI) for manufacturing has increased. At the same time, services maintained a robust trend, according to the Monthly Economic Review for March released by the National Council of Applied Economic Research (NCAER) on Sunday. The PMI for manufacturing activity increased to 56.9 in February, reflecting a strong expansionary momentum. Growth in the output of eight key infrastructure sectors rose to a three-month high of 6.7 percent in February from 4.1 percent in January 2024. *(Business Standard)*

No increase in prices of essential medicines this fiscal year: Mandaviya

Union Minister Mansukh Mandaviya said on Thursday said there will be no increase in prices of essential medicines this fiscal year in view of negligible growth in wholesale price-based inflation. NPPA approved a slight price increase for 54 medicines, while the Indian pharmaceutical industry leads in generic drug manufacturing with competitive prices. *(The Economic Times)*

Uttar Pradesh govt buys 5,500 million power units to brace for deficit

With Uttar Pradesh's peak energy demand likely to breach 31,000 Mw in 2024, the Uttar Pradesh Power Corporation Limited (UPPCL) has traded 5,500 million unit (Mu) power from 11 states through power banks. Around 4,000 Mu will be supplied during the high energy demand period (April-October). In 2023, the state clocked a peak demand of 28,284 megawatt (Mw), while the power corporation arranged for 3,000 Mu of energy from five states to overcome the demand-supply gap. One megawatt is equal to 1000 units. *(Business Standard)*

There could be trade-off between innovation and regulation: RBI DG Rajeshwar Rao

Rajeshwar Rao also pointed out that regulators must focus on achieving a delicate equilibrium that addresses the critical concerns without imposing an undue burden on regulated entities. *(The Economic Times)*

Countries should undertake process reforms to improve economic and policy efficiency: Sanjeev Sanyal

Sanjeev Sanyal, member of the Economic Advisory Council to the PM, emphasized the need for governments worldwide to assess processes under various regulations periodically. In a joint working paper, he highlighted the importance of process reforms,

defining them as microeconomic changes aimed at enhancing efficiency in specific sectors or issues. *(The Economic Times)*

India a bright spot in the Asia-Pacific region in 2023: UN's Economic and Social Survey of Asia and the Pacific 2024

According to the Survey, released on Thursday, India's performance in 2023 has been helped by its lack of external exposure, both to the developed world and to China. Instead, the growth drivers for the country are primarily domestic, it said. *(The Economic Times)*

Rakesh Mohan on the World Bank Group's Economic Advisory Panel

President Emeritus and Distinguished Fellow of the Centre for Social and Economic Progress (CSEP), Rakesh Mohan has been appointed by the World Bank Group to serve on the World Bank Group's Economic Advisory Panel. *(The Economic Times)*

Consumer confidence in India surges to highest level since mid-2019: RBI survey

A recent RBI survey shows that consumer confidence in India has surged to its highest level since mid-2019. Respondents expressed optimism about the current economic situation and future expectations. The survey also highlighted bright prospects for investment activity, with capacity utilisation in the manufacturing sector on the rise. The RBI MPC has decided to keep the repo rate unchanged at 6.5 percent. *(The Economic Times)*



Banking and Monetary Policy

"Just the trailer.." PM Modi heaps praises on the RBI for transforming India in the last 10 years

Prime Minister Modi praised the Reserve Bank of India's pivotal role in transforming the banking sector and the economy over the past decade at the central bank's 90th anniversary event in Mumbai. He highlighted the significant progress from previous challenges, emphasizing clear policies and decisions contributing to the sector's revival. *(The Economic Times)*

RBI's professional management helped in dealing with external uncertainties: FM Sitharaman

Nirmala Sitharaman praised RBI for enhancing India's capacity to address financial challenges, including managing external imbalances, uncertainties, and balance sheet issues through collaborative efforts with the government. *(The Economic Times)*

RBI maintains status quo, keeps repo rate unchanged at 6.5 percent for 7th consecutive time

Not belying the expectations of senior economists, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) retained the repo rate at 6.50 per cent. The repo rate is the rate at which the RBI lends to commercial banks. Announcing the MPC majority decision, RBI Governor Shaktikanta Das said on Friday that the repo rate has been retained at 6.5 per cent. Consequently, the Standing Deposit Rate (SDF) will be 6.25 per cent, and Marginal Standing Facility and the Bank Rate will be 6.75 per cent, Das said. *(The Economic Times)*

RBI leaves inflation projection for FY25 unchanged at 4.5% as 'elephant' out for a walk

India's central bank today left its inflation forecast for this fiscal year unchanged at 4.5% assuming normal monsoon, even as the country braces for a scorching summer amid a spike in crude oil prices and persisting worries about supply chain due to the Red Sea crisis. However, RBI Governor and MPC Chair Shaktikanta Das two years ago, the elephant in the room was inflation, which has now gone out for a walk to the forest. *(The Economic Times)*

RBI's decision shows resolve to ensure price stability, say experts

Reserve Bank's monetary policy decision of keeping the key interest rate unchanged and focus on moderating inflation shows a resolve on the part of the central bank to ensure price stability and sustained economic growth, experts opined on Friday. The RBI kept the benchmark interest rates unchanged at 6.5 per cent for the seventh time in a row, citing concerns over food inflation in view of IMD's prediction of above-normal maximum temperatures from April to June. *(The Economic Times)*

Reserve Bank of India to revise Liquidity Coverage Ratio framework

The Reserve Bank of India (RBI) will modify its liquidity coverage ratio (LCR) framework for lenders in light of recent developments in overseas markets where patrons withdrew their banking deposits at a short notice due to the availability of instant digital payment modes. The central bank will issue a draft circular in this regard for comments of all stakeholders. Under the liquidity coverage ratio (LCR) introduced post the global financial crisis, banks are currently required to maintain a stock of high quality liquid assets (HQLA) to cover the expected net cash outflows in the next 30 calendar days. *(The Economic Times)*

"Be mindful..." RBI Governor Das flagged this to banks and NBFCs over public money during MPC meeting

RBI Governor Shaktikanta Das emphasizes the responsibility of financial institutions in handling public funds. Recent actions against entities like Paytm, IIFL Finance, and JM Financial highlight regulatory scrutiny. S&P lauds RBI's governance efforts but warns of higher capital costs due to stringent measures. *(The Economic Times)*

ESOPs for state-bank staff: For PSB employees, stock may be an option; decision likely after elections

The government has resumed talks with public sector banks (PSBs) on offering stock options to eligible employees, rekindling hope for this long-standing demand of the lenders. The proposal to offer employee stock ownership plans or ESOPs, has been on the backburner for a while but it may advance after the Lok Sabha polls, said people familiar with the development. *(The Economic Times)*

Govt's JIT plan for cash flows may trigger reset of liquidity variable

Indian lenders may have to contend with a lower float of funds in state schemes starting this fiscal year as New Delhi repurposes a well-credentialed, shopfloor-origin Japanese inventory efficiency tool - Just-In-Time, or JIT - for its future cash management. "This will have an impact on how much liquidity comes into the banking system. To the extent, the money is released just in time, the liquidity will also be corresponding to that release," a senior banker told ET, on the condition of anonymity. *(The Economic Times)*

"More than 43.3 crore digital transactions in India every month", says FM Nirmala Sitharaman

Finance Minister Nirmala Sitharaman on Tuesday lauded the strong digital public infrastructure and access has been given to all which has brought India at the fore-front in digital transactions. Speaking at Viksit Bharat 2047 Ambassador Campus Dialogue at Pallavaram, the Finance Minister said that in India 43.3 cr transactions are being done every month through digital payment without any charge. *(The Economic Times)*

Lenders seek anonymity for officers tagging wilful defaulter accounts

Lenders will seek advice from the Reserve Bank of India (RBI) on shielding the identities of officers who spot wilful defaulters and build cases against errant borrowers, said bankers aware of the development. A recent High Court order has directed banks to name the employees on committees identifying a borrower as a wilful defaulter. *(The Economic Times)*

Bad bank does two years' worth of business in one week, buys over Rs 24,000 cr of debt just before FY24 ends

Government-backed bad bank, the National Asset Reconstruction Co (NARCL), has finalised nine transactions worth more than ₹24,000 crore in bank debt in the last work week of FY24, people aware of the developments said, pointing to a frenetic pace of deal making after a relative lull through virtually the entire second half of the fiscal year ending Sunday. Over the past four days, it has completed the transfer of six accounts. *(The Economic Times)*

Bank credit growth in India expected at 14-14.5% in FY25: CareEdge Ratings

CareEdge Ratings estimates bank credit growth in India to be in the range of 14-14.5 per cent in the financial year 2024-25. In the current financial year 2023-24, credit offtake is anticipated to close with a growth of around 16 per cent excluding the HDFC merger. According to the rating agency, the effect of the HDFC merger would dissipate by the end of the first quarter of 2024-25. However, elevated interest rates and global uncertainties could adversely impact credit growth. *(The Economic Times)*



External Sector

India had favorable trade performance with EU, China in 2023: govt

India's imports from China saw a 3% decline in calendar year 2023 compared to 2022, according to the commerce and industry ministry. Meanwhile, exports to both China and the EU increased by 7.1% and 2.1%, respectively, during the same period. This announcement follows a recent report by the United Nations Conference on Trade and Development (UNCTAD) showing that India's trade dependence on China and the EU increased in 2023. *(The Economic Times)*

Tamil Nadu tops in electronics exports, by sending smartphones made in Kancheepuram to the U.S.: Data

Tamil Nadu, India's largest exporter of electronic goods in FY23, accounted for 30% of all electronic goods exports from India in FY24. The State is in fact a late bloomer in this sector, with Uttar Pradesh and Karnataka dominating electronic goods exports until FY22. However, in recent years, among the top exporters of electronics, only Tamil Nadu's

numbers have consistently risen, while the figures of other States have either dropped or become stagnant. *(The Hindu)*

India initiates anti-dumping probe into import of a chemical from China, Japan

India has initiated an anti-dumping probe into the import of a chemical used in the rubber industry from China and Japan following a complaint by a domestic player. The commerce ministry's investigation arm Directorate General of Trade Remedies (DGTR) is probing the alleged dumping of 'Insoluble Sulphur'. The process aims for fair trade practices under WTO regulations, protecting domestic industries from cheap imports. *(The Economic Times)*

Exporters seek exemption from 45-day payment rule for supplies from MSEs

Indian exporters have urged the government to exempt them from the 45-day payment rule for goods bought from micro and small enterprises (MSEs) as it will impact their businesses. In a letter to Prime Minister Narendra Modi, chiefs of major export promotion councils and federation of Indian export organisations have appealed to waive the export companies from section 43B(h) of the Income Tax law. *(The Economic Times)*



Agriculture and Rural Economy

Is rural India wheeling its way out of demand depression?

While India's economy is growing at a fast clip, the fastest among the large economies in the world, it is not broadbased. Rural India has not been marching in step with the overall economy. The disparity grew during the pandemic when the rural demand was badly hit and poor weather later depressed it further. But an important indicator has revealed an uptick in rural demand. Motorcycle and scooter sales in India, a significant proxy for demand in rural areas, likely grew in double-digits. *(The Economic Times)*

MGNREGS wage hike just: Govt source

Amid criticism over the low rate of hike in MGNREGA wages, sources on Friday said the increase was calculated on the basis of Consumer Price Index for Agricultural Labour, which rose by around 7.7 per cent since last year. The Rural Development Ministry had notified new wage rates under the MGNREGA on Wednesday, with hikes ranging between four and 10 per cent for different states, and an overall national average of around seven per cent. The wages were revised on the basis of a formula where the proposed wage rate is equal to last year's wage rate, multiplied by the quotient of CPI-AL for December 2023 divided by CPI (AL) of December 2022. *(The Economic Times)*

Harvesting progress for '47: Invest in R&D, address farm political economy

Indian agriculture needs to break out from its current long-term growth trajectory of 4 per cent, invest more in research and development (R&D), and address the political economy of farming if the country wants to become a developed nation by 2047. Ashok Gulati, distinguished professor at the Indian Council for Research on International Economic Relations, and a well-known agriculture economist, said that the first challenge is not only to feed people but to feed them well. *(Business Standard)*

Force Motors to shut down its agricultural tractors business from March 31

India's Force Motors said on Friday it will close its agricultural tractors business and related activities from March 31. The closure of business is part of the company's product rationalisation programme under which it will focus on its core segments such as shared mobility transportation, last mile mobility and the creation of special vehicles for civil and defence applications, the company added. The company, which is known for its multi-seater passenger vehicles and also makes engines for BMW and Mercedes cars in India, earns about 48% of its revenue from vehicle sales, while about 36% revenue comes from contract engine manufacturing, according to its last annual report. *(Business Standard)*

The Sustainable Farming Revolution in India: A Professional Insight into Hydroponics and AI-Driven Transformative Agriculture

In the wake of evolving consumer preferences, India is at the forefront of an agricultural transformation, pivoting towards sustainable farming with an emphasis on health. This shift is underscored by a burgeoning sustainable food market, which has seen exponential growth, catalyzed by innovative agricultural practices such as hydroponics and the integration of Internet of Things (IoT) and Artificial Intelligence (AI). *(BusinessLine)*

Only half of India's working-age population works, most still in agriculture, shows ILO report

India stands at the threshold of reaping its demographic dividend, yet a significant portion of its working-age population remains employed in the non-productive agricultural sector, claims the latest report prepared jointly by the International Labour Organization (ILO) — United Nations body on labour rights and issues — and Institute of Human Development, a Delhi-based labour policy think tank. The ILO's India Employment Report 2024, released Wednesday, uses statistics published by the Government of India and the Reserve Bank of India through the surveys conducted from 2000 to 2022. *(ThePrint)*

No proposal to resume sale of subsidised rice for ethanol production: Food Secy

The government has no proposal to resume sale of subsidised rice to grain-based distilleries for the production of ethanol, Food Secretary Sanjeev Chopra said on Thursday. "Since July last year, rice has not been diverted for ethanol production. There is no proposal as of now to revisit that policy," Chopra told reporters. He was responding to questions on whether the government plans to resume the sale of subsidised rice for ethanol in the near future amid reports of likely fall in sugar production in the 2024-25 season (October-September). *(The Economic Times)*

Centre to increase wheat procurement from Bihar, Rajasthan UP drastically

The central government plans to sharply increase wheat procurement from Bihar, Rajasthan and Uttar Pradesh, taking it up to 50 LMT in Rabi Marketing Season (RMS) 2024-25 from last season's 6.5 LMT, said a senior official in the food ministry adding that this will help the government in meeting its procurement target of 310 LMT and restoring the allocation of wheat in various food security programmes. *(The Economic Times)*

India's mustard seed output may touch all-time high of 12 million tonnes this year: SEA

Mustard seed production is likely to touch an all-time high of 12 million tonnes in the 2023-24 season in view of a record sown area of 10 million hectares, according to the industry body SEA. Mustard seed is an important oilseed crop grown during the rabi (winter) season during September-October and harvested in February-March. In a statement, the Solvent Extractors' Association of India (SEA) said the concerted efforts to

expand the area through the mustard model farm project, coupled with favourable weather and prices, India has witnessed a remarkable increase in mustard production year after year. (*The Economic Times*)

ICAR issues advisory to wheat farmers on prediction of a harsher summer

ICAR-Indian Institute of Wheat and Barley Research has issued an advisory to wheat farmers for the next fortnight based on the weather inputs from the Indian Meteorological Department, which has predicted a harsher summer this year. The institute has advised farmers from Uttar Pradesh, Rajasthan, Uttarakhand, Haryana and Punjab to ensure proper moisture content for the wheat crop, the harvesting of which will start on April 10. (*The Economic Times*)

Demand under rural jobs scheme seen 27% lower in FY25

The rural development ministry has pegged the 2024-25 person-day generation target (called labour budget) at 2.21 billion under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), down 27% from the actual level in the previous fiscal. (*The Economic Times*)



Industry, Manufacturing, Services and Technology

AC industry expects double-digit growth, 11.5 mn unit sales this season

Sale of air conditioners has seen a relatively slow start, contrary to expectations, but manufacturers remain confident of registering double-digit growth to cross the 11.5 million unit sales-mark this year. Leading players in the AC industry said "favourable weather forecast of a scorching summer" and increase in disposable income are likely to push up sales. (*Business Standard*)

Bank credit to industry grows 8.6% in Feb on increased borrowing: RBI data

Bank credit to industry grew 8.6 per cent year-on-year in February mainly due to accelerated pace of borrowing by sectors, like infrastructure and textiles, Reserve Bank of India (RBI) data released on Thursday revealed. Credit growth to agriculture and allied activities remained robust at 20.1 per cent in February compared to 15 per cent in the year-ago month, said the RBI's data on sectoral deployment of bank credit. (*Business Standard*)

Core Industries Index Rises 6.7% On Year In February 2024

The combined Index of Eight Core Industries (ICI) increased by 6.7 per cent (provisional) in February 2024 as compared to the Index of February 2023. The final growth rate of Index of Eight Core Industries for November 2023 is revised to 7.9 per cent. The cumulative growth rate of ICI during April to February, 2023-24 is 7.7 per cent (provisional) as compared to the corresponding period of last year. Cement - Cement production increased by 10.2 per cent in February, 2024 over February, 2023. Its cumulative index increased by 9.1 per cent during April to February, 2023-24 over corresponding period of the previous year. (*Business Standard*)

Adani Power subsidiary enters into PPA with Reliance Industries

Adani Power announced that Mahan Energen (MEL), wholly owned subsidiary of the company has entered into a 20-year long-term Power Purchase Agreement (PPA) for 500

MW with Reliance Industries (RIL), under the Captive User policy as defined under the Electricity Rules, 2005. One unit of 600 MW capacity of MEL's Mahan thermal power plant, out of its aggregate operating and upcoming capacity of 2800 MW, will be designated as the Captive Unit for this purpose. In order to avail the benefit of this policy, RIL has to hold a 26% ownership stake in the Captive Unit in proportion to the total capacity of the power plant. *(Business Standard)*

Upswing in global manufacturing growth could be good news for world economy

The gentle upswing in manufacturing should be welcomed rather than scoured for caveats. The good news is that the global economy appears to have avoided a protracted downdraft, something that looked like a reasonable outcome last year. The US doesn't have to carry the world on its shoulders, at least not quite to the same degree. *(Business Standard)*

India added 21 GW solar modules, 3 GW cell manufacturing capacity in 2023

India installed 20.8 GW of solar modules and 3.2 GW of cell manufacturing capacity in 2023, according to Mercom Capital. The country's cumulative solar module manufacturing capacity reached 64.5 GW, and solar cell manufacturing capacity 5.8 GW as of December 2023, the US-based research firm said in its latest report, State of Solar PV Manufacturing. *(Business Standard)*

India must focus on manufacturing to compete with China: EAM Jaishankar

To compete with China on the economic front, India should focus on manufacturing, a key sector which was ignored by governments before Prime Minister Narendra Modi came to power in 2014, External Affairs Minister S Jaishankar has said.

Noting that tension at the border with China has caused "abnormality" in New Delhi-Beijing relations, he said India's thinking is absolutely clear that unless there is peace and stability in the border areas, the ties between the two Asian powers will not improve. *(Business Standard)*

Top 4 EV producers sold over 50% of e-vehicles in March

The Indian electric two-wheeler segment posted highest monthly sales in March 2024 over the year earlier period, with the top four original equipment manufacturers (OEMs) accounting for more than 50% of total sales, according to Vahan portal. Ola Electric, TVS Motor, Bajaj Auto and Ather Energy cumulatively sold 1.12 lakh out of 1.36 lakh units. The new entrant Kinetic Green sold almost 4,000 units and secured sixth slot among the top 10 players, said industry sources. In the comparable period, the top 10 OEMs, barring Kinetic Green, sold 93,000 vehicles. *(The Hindu)*

March manufacturing PMI survey signals a 16-year peak

India's manufacturing sector activity surged in March with new orders and output rising at the fastest pace since October 2020, lifting the HSBC India Manufacturing Purchasing Managers Index (PMI) to a 16-year high of 59.1 from 56.9 in February. Export orders also grew at the fastest pace since May 2022, and though pressures on current capacity remained mild for producers, they resumed job creation after a two-month pause. While the scale of new jobs created was mild, it marked the best uptick in six months, with firms hiring mid-level and full-time employees. *(The Hindu)*

India's surging influencer marketing industry to hit ₹3,375 cr by 2026

With the digital landscape evolving rapidly, India's influencer marketing industry is poised for exponential growth. Recent projections indicate a remarkable surge, with

three-quarters of brand strategies prioritizing influencer marketing as a pivotal component. *(Mint)*

India gives over \$1 bn incentives to private firms under its manufacturing scheme, official says

India has paid \$1.02 billion as incentives to boost local manufacturing, following over \$13 billion in investments from private firms under a scheme introduced in 2020, a top government official said. *(The Economic Times)*



News on Kerala

Kudumbashree supporting voter education activities

The Kudumbashree is assisting the SVEEP (Systematic Voters' Education and Electoral Participation) team of the Collectorates in some districts to spread awareness of voter participation in the upcoming Lok Sabha polls. SVEEP is being implemented to ensure that the maximum number of voters exercise their right to vote. *(The Hindu)*

A positive step that will benefit other States also: Kerala

Kerala Finance Minister K.N. Balagopal on Monday described as "positive" the Supreme Court decision to refer the State government's suit on its borrowing limit to the Constitution Bench. Mr. Balagopal, reacting to the court decision, portrayed it as a vindication of the State's stand. "The important point here is that the court has held that the suit filed by Kerala is serious enough to be examined by the Constitutional Bench," Mr. Balagopal said, speaking to reporters in Kollam. *(The Hindu)*

Kerala paid Rs 26,000 cr in March to various sectors: State FM Balagopal

Kerala Finance Minister K N Balagopal on Saturday said that despite a fiscal pressure, the state government made payments to the tune of Rs 26,000 crore to various sectors in March alone. He said the state government effectively intervened to manage the financial crisis and an interim application on the borrowing limit and other matters are pending before the Supreme Court. *(Business Standard)*

The Finance Commission and public finance in Kerala

Public debt management is getting wider attention in Centre-State financial relations, against the backdrop of recently constituted Sixteenth Union Finance Commission. One of the States in India, Kerala, had filed a suit in the Supreme Court of India against the Centre's decision on the net borrowing ceiling of States. These recent developments relate to a clarion call for "asymmetric fiscal rules" relating to deficits and debts in India. This issue requires wider discussion and debate as debt- deficit dynamics is the single most significant issue now in Centre-State financial relations. *(The Hindu)*

Governor gives assent to Building Tax (Amendment) Bill

Kerala Governor Arif Mohammed Khan has cleared one more Bill passed by the Kerala Assembly, indicating a possible thaw in his relationship with the State government. Raj Bhavan gave its assent to the Kerala Building Tax (Amendment) Bill, 2023 on April 2. The Governor cleared the Bill with a note that the government may approach the Election Commission of India to take further steps on the Bill as the model code of conduct is in force. *(The Hindu)*

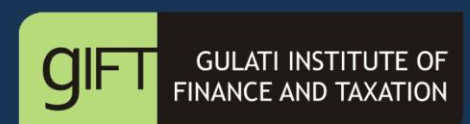
Governor clears appointment of former Chief Justice S. Manikumar as SHRC Chairperson

Governor Arif Mohammed Khan has approved the appointment of retired Chief Justice of Kerala High Court S. Manikumar as the State Human Rights Commission (SHRC) chairperson. Nevertheless, the government must move the Election Commission of India to ratify the appointment, given the prevalence of the Model Code of Conduct. Mr. Khan's reluctance to assent to the controversial appointment had been a sore point between Raj Bhavan and the government, along with other issues such as "belatedly" sending crucial Bills for Presidential assent. *(The Hindu)*

Electricity consumption touches 107.76 mu on April 3

Electricity consumption in Kerala hit a record 107.76 million units (mu) on April 3 breaking the prevailing record of 106.88 mu set just the day before. The maximum demand during evening hours also hit an all-time high of 5,359 megawatts (MW), prompting the Kerala State Electricity Board (KSEB) to issue an urgent plea to consumers to cooperate with it to avoid power restrictions. In a statement, the KSEB said that it could ensure uninterrupted power supply provided the consumers cooperated through the judicious use of electricity in the evening hours. *(The Hindu)*

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