



## Public Finance

### Central transfers and the issue of shares of some States

There are many issues that the Sixteenth Finance Commission will have to deal with. In this article, we focus on one issue which has been raised by many States, particularly those in the south of India. The issue (or the complaint) is that these States have been facing a decline in their share out of the resources transferred from the Centre to the States, from Finance Commission to Finance Commission. (*The Hindu*)

### Centre sanctions over Rs 6,621 cr for frontier highway in Arunachal Pradesh

Union Minister Nitin Gadkari on Tuesday said the Centre has sanctioned an allocation of Rs 6,621.62 crore for construction of the ambitious frontier highway in Arunachal Pradesh. The allocation has been made for the construction of eight packages on National Highway 913 (Frontier Highway), transitioning to an intermediate lane configuration using the EPC mode, the minister said. (*Business Standard*)

### India's capex cycle to continue: Morgan Stanley

Morgan Stanley expects India's capital expenditure cycle to remain on track, buoyed by government spending and a revival in private investment with the current uptick reminiscent of the 2003-2007 period, when the economy grew at an average annual rate of 8.6%. The global investment bank expects India's gross fixed capital formation to GDP or investment ratio to rise to 36% of GDP by FY27 from 34% expected in FY24. (*The Economic Times*)

### States' capex focus pivots away from roads to social services

States are expected to reduce their capital expenditure on roads in FY25, focusing more on social services like public health and education. This shift is partly due to the post-pandemic realization of the need to develop human capital. States are also aiming to meet their fiscal targets, with some compromising on road spending to achieve this. (*The Economic Times*)

### Centre may save ₹45k cr on lower capex by states, subsidy payout

Central government plans to cut fiscal 2024 spending by ₹45,000 crore with savings from subsidy bill reductions, states' under-utilisation, and improved tax collections. Softening fertiliser prices and revised expenditure estimates also contribute to the savings. (*The Economic Times*)

### Indian economy is resilient... changes in bilateral trade are a huge opportunity, says Crisil CEO

"The fiscal discipline of the government means that its expenditure would be a little controlled. We are hoping for a normal monsoon, so the agriculture sector will be okay. At 6.8%, India would still be the fastest-growing major economy," says Crisil CEO Amish Mehta. (*The Economic Times*)



### **Tax dept finds inconsistencies in transaction report of market entity**

The income tax department said it has identified "certain inconsistencies" in the data of the securities market provided by one of the reporting entities in the statement of financial transactions (SFT). In a post on X, the I-T department said based on feedback from taxpayers on the e-campaign for advance tax, the inconsistencies have come to light and the reporting entity has been asked to submit a revised statement to the department. *(Business Standard)*

### **Reference from PMO or VIP can prompt out-of-turn disposal of income tax appeals**

A reference from the Prime Minister's Office or a VIP reference will help your Income Tax Appeal to be taken up on priority or out of turn disposal, Central Board of Direct Taxes (CBDT) has said in its new guidelines. The new guidelines, will replace the 2021 mechanism and will also set a framework for priority or out of turn disposal of pending appeals at the level of Commissioners of the Income Tax (Appeal/Appeal Unit) and Additional/Joint Commissioner of Income Tax (Appeal). *(BusinessLine)*

### **Not paid tax according to specific financial transaction? Do so by March 15: IT Dept**

The Income Tax Department has cautioned taxpayers on mismatch between specific financial transactions and tax paid. It has advised taxpayers to calculate their tax properly and pay the balance, if any, as advance tax, whose last instalment is due on March 15. *(BusinessLine)*

### **FPIs run into a wall in setting off capital losses, face higher tax burden**

Several foreign portfolio investors (FPIs) have not been able to set off brought-forward capital losses against capital gains for the assessment year 2022-23. This has resulted in higher taxable income for these investors, consequently leading to erroneous tax demands. The issue persists despite the timely filing of loss returns for the years in which the losses were incurred, as mandated by the Income Tax Act, 1961. The income reported for these years has been assessed and accepted with clean orders passed, according to experts. *(BusinessLine)*

### **Black Money Law: Taxman's Focus on Retro Disputes**

At the highest echelons of India's tax administration, a brainstorming is underway to figure out ways to deal with the 'retrospective' character of Black Money law — a disputed feature of the stern statute that was passed nearly a decade ago to overcome the limitations of the Income-tax Act and target wealth stashed abroad. *(The Economic Times)*

### **Plan Afoot to Reclassify Items for GST Clarity**

The Central Board of Indirect taxes and Customs (CBIC) is planning to prepare a list of products which end up in litigation purely due to classification issues. The fitment committee is likely to look into such items where there is a minor change in composition but the tax slabs are different, creating confusion in tax liability, mostly in the fast-moving consumer goods (FMCG) sector, which recently attracted many tax notices. *(The Economic Times)*

### **I-T dept busts network of money changers in GST ITC scam**

The Income Tax department (I-T) has unearthed a network of 232 fake money changing companies and detected tax evasion amounting ₹1,000 crore through fraudulently generated Input Tax Credit (ITC) under the Goods and Services Tax (GST) regime. Fake invoice refers to no real supply of goods or services with a real invoice issued, which is fraudulently used to avail ITC. *(BusinessLine)*

### **Northeast among biggest gainers of GST, says Finance Minister Sitharaman**

Speaking at the Indian Institute of Technology in Guwahati, Sitharaman said the compounded annual growth rate (CAGR) of GST revenue of the north-eastern states has been 27.5% since its introduction in 2017-18. This was way above the CAGR of 14.8% under the earlier indirect tax regime. Elevated tax mop up has enabled these states to spend more on development programmes, she added. *(The Economic Times)*



## **National Accounts and State of the Economy**

### **FY24 GDP growth to be closer to 8% on higher activity in industry: CEA**

India's real GDP growth in FY24 will be "closer" to 8 per cent on higher activity in industry and services verticals, Chief Economic Advisor V Anantha Nageswaran said on Tuesday. Addressing a conference organised by ARIA (Association of Registered Investment Advisors) virtually, Nageswaran said the growth will be higher than the Ministry of Statistics' estimate of 7.6 per cent, and added that there is much reason to be optimistic in the near term about the prospects in India. *(Business Standard)*

### **Robust 4Q23 GDP growth figures to carry momentum into 1H24 for Indian economy**

Organization of Petroleum Exporting Countries or OPEC stated in a latest monthly update that the latest data for India shows stronger-than-anticipated 4Q23 growth of 8.4%, y-o-y. The 2Q23 and 3Q23 quarterly growth figures stand at 8.2% and 8.1%, y-o-y, respectively. This places India's annual growth rate in 2023 at 7.7%, y-o-y, up from a previously estimated 6.8%, y-o-y. *(Business Standard)*

### **CPI-based inflation eases to 5.09% in Feb; Jan IIP growth at 3.8%**

The consumer price index (CPI)-based inflation eased to 5.09 per cent in February. The retail inflation rate had eased to 5.1 per cent in January from 5.69 per cent in December 2023. The recent numbers mean the target inflation continues to stay within the Reserve Bank of India (RBI) 's tolerance level of 2-6 per cent for six consecutive months. However, it is important to note that this is the 53rd consecutive week when the headline number is more than the medium-target rate of 4 per cent. *(Business Standard)*

### **India performs better than China on key global integration parameters: DHL report**

India has overtaken China on two-key parameters -- export to GDP ratio and services export-- with regard to integration into the global market, said a DHL Global Connectedness Report on Wednesday. India's exports-to-GDP ratio has exceeded China's since 2021 and also the country's services trade intensity far for both exports and imports, said the 'New DHL Global Connectedness Report 2024' by DHL and New York University's Stern School of Business. *(The Economic Times)*

**Sidbi gets \$24.5 million from Green Climate Fund for its Avaana Sustainability Fund**  
Small Industries Development Bank of India (Sidbi) has received \$24.5 million from Green Climate Fund (GCF) for its maiden anchored project 'Avaana Sustainability Fund (ASF)' valued at \$120 million. GCF, a pivotal component of the historic Paris Agreement, is the world's largest climate fund. GCF approved Sidbi's project and committed the investment at its 38th board meeting in Rwanda on March 5. *(The Economic Times)*

### **Govt, ADB ink USD 23 mn loan pact to strengthen fintech ecosystem in India**

A USD 23 million loan agreement signed between the government and ADB aims to enhance fintech education, research, and innovation at GIFT City, promoting growth in India's financial services and fintech ecosystem. *(The Economic Times)*



## **Banking and Monetary Policy**

### **Finmin asks PSU banks for comprehensive review of their gold loan portfolio**

The finance ministry has directed all state-owned banks to review their gold loan portfolio as instances of non-compliance with regulatory norms have been noticed by the government. The Department of Financial Services (DFS) in a communication addressed to heads of public sector banks has asked them to look at their system and processes related to gold loan. A directive in this regard was issued last month advising them to fix anomalies relating to collection of fees and interest and closure of gold loan accounts. *(The Economic Times)*

### **RBI asks for info on gold loan frauds**

The Reserve Bank of India has asked banks to share with it information on frauds reported in gold loans, actions taken by them to recover the money and defaults in the portfolio, said people with knowledge of the matter. The RBI also asked banks to review their lending processes to check if they are in compliance with the regulator's gold loan guidelines. The RBI sought this information after it found that employees of two state-run banks manipulated its system to meet gold loan targets, they said. *(The Economic Times)*

### **Sebi seeks report on action taken by rating firms against IIFL Fin & JM Fin**

India's capital markets regulator Tuesday sought an explanation from rating agencies on what action they have taken following curbs ordered by the banking watchdog on IIFL Finance and JM Finance Product last week, said people aware of the development. The Reserve Bank of India (RBI) banned IIFL Finance from giving new gold loans on March 4 due to lapses in the lending process, and on March 5, it banned JM Financial Product from undertaking any form of business in shares and bond funding. *(The Economic Times)*

### **Customer complaints with RBI Ombudsman up 68% in 2022-23**

Customer complaints with the Reserves Bank Ombudsman were up by 68 percent in 2022-23 according to the Annual Report of Ombudsman Schemes released by the Reserve Bank on Monday. Under the Reserve Bank Integrated Ombudsman Scheme (RBIOS), the central bank received 7,03,544 complaints between April 1, 2022 and March 31, 2023, showing an increase of 68.24% over last year. Public sector banks accounted for 41 percent of the complaints followed by the private sector banks which accounted for 31 percent of the complaints. *(The Economic Times)*

### **RBI cracks down on P2P credit card payments**

After barring Visa from undertaking certain commercial business-to-business (B2B) credit card transactions, the Reserve Bank of India is now seen cracking down on peer-to-peer (P2P) credit card payments made via third-party service providers, sources told businessline. This comes after the central bank found instances of retail customers using credit cards to pay rent and tuition fees through third-party apps. *(BusinessLine)*

### **Five-day work week, big hike: Bonanza for bankers awaits government nod**

The Indian Banks' Association (IBA) and bank employee unions have reached a consensus on an annual wage hike of 17 per cent, a move that is expected to have a substantial impact on public sector banks. This decision will lead to an additional yearly expenditure of approximately Rs 8,284 crore for these banks, benefiting around 8 lakh bank employees. The wage hike is set to take effect from November 2022. *(The Economic Times)*

### **PSU banks ordered to test purity of gold loan book**

The finance ministry ordered state-run banks to review gold loan processes amid fears about risky debt given a rally in prices of the metal, said people familiar with the matter. The worry is that the surge led to lenders giving top-up loans over existing debt, said people familiar with the matter. In a February 27 letter to all PSU bank chiefs, the department of financial services (DFS), part of the finance ministry, has asked banks to review every gold loan account since January 1, 2022, assess the collateral value, analyse collection charges and check if there has been any evergreening. *(The Economic Times)*

### **RBI likely to 'upgrade' some NBFCs to top layer this year**

Nearly two years after introducing a revised regulatory framework for non-banking finance companies (NBFCs), the Reserve Bank of India is set to review the categorisation of NBFCs in 2024. Sources aware of the matter say the review has become imminent given how NBFCs have exploded in terms of growth, their business models and operations have changed significantly from the time of initiating scale-based regulations. *(The Hindu)*.



## **External Sector**

### **India's current account deficit likely to narrow below 1% in FY24**

India's current account deficit (CAD) is expected to narrow to less than 1 per cent of gross domestic product (GDP) in FY24 due to contained goods trade deficit, improved net services receipts, increased remittances and macroeconomic stability, a report by UBS Securities said. *(Business Standard)*

### **"India will be world's premier manufacturing, service hub": Swiss Secretary lauds India-EFTA Trade Economic Partnership Agreement**

Swiss State Secretary lauds the USD 100-billion free trade pact between India and EFTA. India will be the premier manufacturing and service hub. Swiss market is open for Indian goods. Switzerland plans to invest 100 billion USD in India. *(The Economic Times)*

### **RBI takes delivery of \$5 bn. sell/buy swaps held two years ago**

The Reserve Bank of India (RBI) reportedly did not roll over the \$5-billion sell/buy swap it conducted on March 8, 2022, in a bid to augment rupee liquidity in the banking system ahead of direct tax and Goods and Service Tax (GST) outflows. The RBI had conducted the

two-year sell/buy swap to enhance dollar liquidity in the market. A sell/buy foreign-exchange swap entails a bank buying U.S. dollars from the RBI and simultaneously agreeing to sell the same amount of U.S. dollars at the end of the swap period. *(The Hindu)*

### **China expands presence in West Asia's tech, mining, and energy amid strong ties with India**

China is expanding its presence in the technology, mining, and energy sectors in West Asian nations with ties to India. It is partnering with telecom operators, investing in the mining sector, and offering assistance in space and transportation development. *(The Economic Times)*

### **India, UK leaders reaffirm commitment to trade deal, PM Modi says**

"We reaffirmed our commitment to further strengthen the bilateral comprehensive strategic partnership and work for early conclusion of a mutually beneficial free trade agreement," PM Modi said in a post on X on Tuesday. *(The Economic Times)*

### **Centre exempts gold import by RBI from customs duty, agri cess**

The Centre exempted gold imported by the Reserve Bank of India from import duty and Agriculture Infrastructure Development Cess. India, the second-biggest consumer of gold, depends on imports. Cumulative gold imports reached \$37.85 billion from April-January in FY24, with imports in January alone standing at \$1.9 billion. *(The Economic Times)*

### **NITI Aayog lays out roadmap for boosting exports from MSMEs**

In its report, done in collaboration with the Foundation for Economic Development, the Aayog has proposed a series of measures including boosting e-commerce exports, creating a comprehensive trade portal, promoting ease of merchandise exports, improving access to export finance and creation of one stop information channel for exporters. *(The Economic Times)*

### **Centre imposes minimum export price of \$2,000 per tonne on honey till December**

Exports below this MEP value will not be permitted. "Export of natural honey is free. Minimum export price (MEP) of USD 2,000 per metric ton is imposed till December 31, 2024, or until further orders, whichever is earlier," the Directorate General of Foreign Trade said in a notification. *(The Economic Times)*

### **India's diesel exports to Europe see nearly three-fold jump in February**

Amid the threat of Houthi attacks on ships, a large share of diesel exports to Europe was diverted to transit via the Cape of Good Hope, avoiding the Red Sea and the shorter Suez Canal. The longer route means higher freight. This combined with weak east-west arbitrage helped attract more Indian diesel cargoes to Asia in January. *(The Economic Times)*

### **Trade deficit widens to \$18.7 billion in February; imports, exports rise 12.2%, 11.9% YoY**

In February, India's trade deficit expanded to \$18.71 billion, rebounding from a nine-month low in the previous month, according to government data released on Friday. Merchandise imports surged 12.2% year-on-year to \$60.11 billion, while exports rose 11.9% to \$41.4 billion, compared to January's figures of \$54.4 billion and \$36.9 billion, respectively. *(The Economic Times)*

## India, EFTA announce \$100-bn free trade pact to promote investments

India-EFTA deal: Union Minister Piyush Goyal, quoting PM Narendra Modi, said, "Despite structural diversities in many aspects, our economies possess complementarities that promise to be a win-win situation for all nations. With the opening up of enormous trading and investment opportunities, we have reached a new level of trust and ambition. The trade agreement symbolizes our shared agreement to open fair, equitable trade, as well as generate growth and employment for the youth." (*The Economic Times*)



## Agriculture and Rural Economy

### Bhatti seeks cooperation of banks for development of agriculture and allied sectors

Deputy Chief Minister (Finance and Energy) Mallu Bhatti Vikramarka sought the cooperation of bankers in the development of agriculture and allied sectors which are given top priority by the Congress government. Bankers should accordingly consider lending to farmers on humanitarian grounds besides prioritising loans to agriculture, housing and education sectors. Bankers should be socially conscious and responsible while disbursing loans to farmers and small businesses on time, he said. (*The Hindu*)

### Sun should become a steadfast ally in agriculture

The technological innovations in the solar energy sector will be productive only when they reach the doorsteps of farmers and aid them in agriculture. The country's development will take place only when there is vast research in agriculture which will help farmers," said Chief Minister Siddaramaiah on Saturday after inaugurating the Soura Shakti Mela organised on the GKVK campus for farmers. (*The Hindu*)

### Panchayat Raj Chamber president flays YSRCP government for diverting funds, 'hindering' rural development

Andhra Pradesh State Panchayat Raj Chamber president Y.V.B. Rajendra Prasad on Wednesday criticised Chief Minister Y.S. Jagan Mohan Reddy for hindering the progress of rural areas by diverting funds amounting to ₹50,000 crore from gram panchayats. The funds included those from the Central government, NREGA, and the Jal Jeevan Mission, he alleged while participating in a protest organised by the A.P. Panchayat Raj Chamber and Sarpanches Association in front of the district collectorate. (*The Hindu*)

### L&T Finance signs \$125-m pact with JICA to aid rural, peri-urban financing

L&T Finance Holdings Ltd (LTFH) has signed a financing pact with Japan International Cooperation Agency (JICA) for \$125 million to support financing in rural and peri-urban areas in India, particularly women borrowers. Last November, LTFH had sourced \$125-million loan from Asian Development Bank (ADB), and as part of the co-financing agreement, additional \$125-million loan is now being raised from JICA, the non-banking financial company said in a statement. (*BusinessLine*)

### Easy Trip Planners partners with Ministry of Rural Development to empower self help groups

Easy Trip Planner Ltd.'s EaseMyTrip.com, signed a Memorandum of Understanding with the Ministry of Rural Development to train members of Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM)'s Women's Self Help Groups (SHGs) under the Lakhpati Didi Yojana. The initiative aims to focus on women-led skill

development, fostering entrepreneurial skills and financial independence among rural women. *(BusinessLine)*

### **Groundwater depletion and reservoir levels pose a threat to Telangana's paddy crop**

Paddy farmers are unable to water the crop at a crucial stage, which could result in losing 15-20% of the output this season. With reservoir levels depleting and groundwater levels plummeting, paddy farmers in Telangana face a tough time this summer. As they are not able to water the paddy crop at the crucial stage, they face the prospect of losing 15-20 percent of the output this season. *(BusinessLine)*

### **Eastern India's first honey test lab to come up at ICAR-NISA in Ranchi**

Ranchi, Mar 14 (PTI) Union Agriculture Minister Arjun Munda on Thursday laid the foundation stone for eastern India's first regional honey testing laboratory at ICAR-National Institute of Secondary Agriculture (NISA) in Ranchi. It will also have an integrated beekeeping development and bamboo cultivation centres. The lab will help ensure the quality of honey produced. Bee box manufacturing units will help in increasing the production of honey, it said. *(ThePrint)*



## **Industry, Manufacturing, Services and Technology**

### **India's R&D funding, breaking down the numbers**

The announcement in the interim Budget for 2024-25, of a corpus of ₹1 lakh crore to bolster the research and innovation ecosystem within the country, has sparked enthusiasm within the scientific and research communities. However, to fully realise the impact, it is crucial to assess the current research and development (R&D) funding landscape in India and its resulting output. *(The Hindu)*

### **India's Index of Industrial Production Slows To 3.8% In January**

India's industrial production growth moderated in January after accelerating in the previous month, data from the Ministry of Statistics and Programme Implementation revealed on Tuesday. Industrial output expanded 3.8 percent year-over-year in January, slower than the 4.2 percent in December. Among the major three sectors, mining output grew the most, up by 5.9 percent. This was followed by a 5.6 percent rise in manufacturing output and a 3.2 percent increase in electricity production. *(Business Standard)*

### **Global airline industry lobbyist says criminalising accidents is 'wrong'**

The airline industry's top lobbyist denounced what he called the US Justice Department's criminalization of air accidents, saying such moves risk undercutting a culture of whistleblowing and open reporting of defects. The decision to look with "a criminal focus" at Boeing Co.'s conduct around the blowout of a door plug on a 737 Max 9 was taken too soon after the January accident, said Willie Walsh, director general of the International Air Transport Association. *(Business Standard)*

### **India, EFTA trade pact will push growth of domestic wine industry: CIABC**

Alcoholic beverages makers' body CIABC on Monday said the free trade agreement between India and four European nation bloc EFTA will help push the growth of the



domestic wine industry. The European Free Trade Association (EFTA) members are Iceland, Liechtenstein, Norway and Switzerland. *(Business Standard)*

### **Ministry of Heavy Industries announces new scheme to promote e-mobility**

The Ministry of Heavy Industries (MHI) on Wednesday announced a new promotional scheme for electric two and three-wheelers for four months, beginning April 2024, with an outlay of ₹500 crore. *(BusinessLine)*

### **Centre expands technology upgradation support for pharma industry**

In an effort to support pharma companies aligned with global quality standards, the Department of Pharmaceuticals (DoP) has announced a revamped Pharmaceuticals Technology Upgradation Assistance (RPTUAS) Scheme, expanding the scope of eligibility, among other things. *(BusinessLine)*.

### **Bankers in India to get higher salary increases than Singapore, Hong Kong**

Finance professionals in India are in line for higher salary hikes than those in Hong Kong and Singapore this year, underscoring how firms are tapping the nation's economic boom as China slows, according to Bloomberg Intelligence. *(The Economic Times)*

### **Foreign investors infuse an average of \$4 bn investments per year in Indian real estate**

India's strong economic resilience coupled with an attractive investment climate and rapid urban development has solidified its position as a highly sought-after real estate investment hub for international funds in the Asia-Pacific (APAC) region, said industry experts. *(The Economic Times)*

### **Localisation, warranty norms stricter in Electric Mobility Promotion Scheme**

Electric vehicle (EV) makers will need to ensure a high degree of localisation for the models subsidised under the Electric Mobility Promotion Scheme (EMPS). They also need to provide a three-year or 20,000-km comprehensive warranty to two-wheeler buyers — and an 80,000-km warranty on three-wheelers — to be eligible for the scheme. *(The Economic Times)*

### **New scheme announced to push sale of electric two-wheelers & three-wheelers in India**

The centre on March 13 announced a new scheme to promote sale of electric two and three wheelers. According to Heavy Industries Minister Mahendra Nath Pandey, Rs 500 crore is being allocated for the Electric Mobility Promotion Scheme (EMPS), 2024. This scheme is valid for four months from April 1 onwards. *(The Economic Times)*



## **News on Kerala**

### **Kerala rejects Centre's one-time offer of ₹5,000 cr. to tide over fund crunch**

The bugle has sounded for a legal battle between the Centre and Kerala in the Supreme Court, after the Union government said on Wednesday that it could only spare ₹5,000 crore as a one-time measure to avert an immediate financial crisis in the State. The amount offered by the Union government will not be enough to fulfil Kerala's most basic financial commitments, including pensions and salaries, senior advocate Kapil Sibal and

C.K. Sasi, representing the State, told a Bench of Justices Surya Kant and K.V. Viswanathan. *(The Hindu)*

### **SC suggests Centre to be liberal on relaxing borrowing conditions to Kerala**

The Supreme Court on Tuesday asked the Centre to consider providing a one-time package to the Kerala government by March 31 to deal with financial issues facing the state. The Kerala government, represented by senior advocate Kapil Sibal, mentioned its pending lawsuit against the central government for urgent hearing before a bench comprising justices Surya Kant and KV Viswanathan, saying that the Union was not releasing necessary funds. *(The Economic Times)*

### **Scorching heat: Electricity consumption goes up; CM to hold review meeting**

As the scorching summer takes a toll on people, the daily consumption of electricity in Kerala has surpassed 10 crore units. A staggering 10.02 crore units of electricity was consumed on Monday alone. This is an all-time record for a single-day consumption in the month of March ever. The trend has further worsened the financial crisis of the KSEB. A high-level meeting chaired by Pinarayi Vijayan will be held on Wednesday. *(Mathrubhumi)*

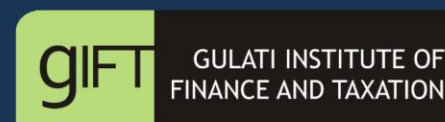
### **Kerala's stand on financial crisis gaining acceptance: K.N. Balagopal**

Finance Minister K.N. Balagopal said on Tuesday that he was happy that Kerala's position on the financial standoff with the Centre was gaining acceptance. Mr. Balagopal was responding to Tuesday's development where the Supreme Court urged the Centre to consider giving the State a one-time package for tackling its financial crisis. The Finance Minister declined to comment further on the matter as it was still under the consideration of the court. But he observed that the court has noted that the issues raised by the State do deserve consideration. *(The Hindu)*

### **Kerala CM Vijayan launches India's first state-owned OTT platform**

Kerala on Thursday launched India's first government-owned OTT platform 'Cspace' with Chief Minister Pinarayi Vijayan terming it as a decisive step in the onward journey of Malayalam Cinema. Inaugurating Cspace, managed by the Kerala State Film Development Corporation (KSFDC), at a function at Kairali Theatre here, the chief minister said this is a pioneering initiative that gives prominence to films with artistic and cultural value without hurting the mainstream film industry. *(Business Standard)*

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