



Public Finance

Centre used capex to build quality infrastructure: FM Nirmala Sitharaman

Finance minister Nirmala Sitharaman Wednesday said the government significantly increased the outlay for capital expenditure (capex) over the last 10 years to build quality infrastructure in the country, which had a significant multiplier effect on economy and investment, besides improving ease of living. She said the share of capex in overall expenditure went up to over 21% in 2023-24 as against just 12% in 2013-14 during the UPA regime, when infrastructure development remained grossly neglected. (*The Economic Times*)

PM Gati Shakti to Aid in Expanding Social Security

The labour and employment ministry has boarded the PM Gati Shakti portal to identify and bridge gaps in social security coverage across the country and expand its health infrastructure to industrial clusters as well as special economic zones (SEZs) for the benefit of workers, said the secretary to the ministry Sumita Dawra. (*The Economic Times*)

Spending 6% of GDP must to make India developed by 2047: VIT chancellor

Political parties in India should take the education sector seriously as a country's economy is directly linked to its education, chancellor of the prestigious Vellore Institute of Technology Govindasamy Viswanathan has said. In an interview with PTI, he said there is a need to spend 6 per cent of the nation's GDP on the education sector as it is vital to achieve the goal of India being a developed nation by 2047. The per capita income of India in 2023 is \$2,600. Those states which are good in education like the southern states or the western states are all above the national average, he told PTI. (*Business Standard*)

Rating Agencies need to relook at India's credit ratings: NK Singh

NK Singh, chairman of the 15th Finance Commission, highlighted the prejudice and bias affecting India's credit rating, calling for a reassessment by credit rating agencies. During a session on climate financing at the Confederation of Indian Industry's Annual Business Summit 2024, Singh emphasized India's strong debt repayment history. He also outlined the need for \$5 trillion in climate financing, with contributions from multilateral development banks, private capital, and domestic resources. (*The Economic Times*)



Taxation

Q1 tax revenue likely to exceed budgeted growth

The government expects its tax revenues in the first quarter to exceed budgeted growth but is likely to stick to the interim budget revenue estimates in the full budget. For the current financial year (2024-25), the Centre has pegged its gross revenue collections at ₹38.30 lakh crore, a growth of 11.45% over the revised estimates for FY 2023-

24. Typically, the first quarter revenue collections remain muted but the government is confident of growth exceeding 13%. *(The Economic Times)*

Govt cuts windfall tax on petroleum crude to Rs 5,700 per MT from May 16

India has cut the windfall tax on petroleum crude to Rs 5,700 (\$68.34) per metric tonne from Rs 8,400 with effect from May 16, according to a notification issued on Wednesday. The tax, which is revised every two weeks, remains unchanged at zero for diesel and aviation turbine fuel. India started the tax on crude oil producers and on exports of gasoline, diesel and aviation fuel in July 2022 to regulate private refiners who wanted to sell fuel overseas instead of locally in a bid to gain from robust refining margins. *(Business Standard)*

CBDT brings new update in income tax AIS

"The CBDT has now rolled out a new functionality in AIS to display the status of information confirmation process. This will display whether the feedback of the taxpayer has been acted upon by the Source, by either, partially or fully accepting or rejecting the same," said CBDT in a press release dated May 13, 2024. *(The Economic Times)*

Online MSMEs flag challenges in getting a GST license in TN

Small and medium enterprises, including businesses operating online, underlined the difficulties they have been facing with registering online to pay the Goods and Services Tax (GST). Tamil Nadu's 5 million MSMEs account for 8% of India's overall registrations in the category. The trade groups cited the "obligation to justify Tamil Nadu as their primary state of registration" and other tax oversight moves as a burden faced by online MSMEs and potential sellers in Tamil Nadu in obtaining GST licenses. *(The Hindu)*

GST portal launches machine registration to curb pan masala and tobacco tax evasion

To check evasion, the GST portal has developed a form for manufacturers of Pan Masal and Tobacco taxpayers to register their machines. The same form will also be used to inform about the disposal of the machine. Another form will soon be notified to give information on inputs and outputs during a month. Based on the recommendation of the GST Council, the Government issued a notification in January to seek information from taxpayers dealing in the goods such as pan masala and tobacco. *(BusinessLine)*

GST on corporate guarantees: Taxmen believe clarity will emerge only in SC

The issue of levying GST on corporate guarantees between related entities remains uncertain until the Supreme Court's final decision. The CBIC's circular clarifying the levy's validity faces legal challenges, with recent stays offering temporary relief to affected companies. The matter's resolution will impact businesses and tax revenues. *(The Economic Times)*



National Accounts and State of the Economy

Pvt Sector Capex likely to Expand amid Expectations of High Growth: Experts

Private sector capital expenditure is likely to see a gradual expansion amid expectations of high growth though geopolitical uncertainties and tepid consumption remain a concern, say economists. CII's business confidence index touched a 12-quarter high in

Q4FY24, with 51% of firms expecting capacity utilisation of 75% and above. Moreover, 71% expect an improvement in private capex in the first half of FY25 compared with the second half of FY24. *(The Economic Times)*

UN revises India's 2024 growth forecast to 6.9%

A strong domestic economy will push India's growth to 6.9% in 2024 from 6.2% projected earlier, the United Nations said in its latest World Economic Situation and Prospects report's mid-year update. "India's economy is forecast to expand by 6.9 per cent in 2024 and 6.6 per cent in 2025,29 mainly driven by strong public investment and resilient private consumption," the UN Department of Economic and Social Affairs said. *(The Economic Times)*

Govt looks to change base year for major economic gauges to FY23, revamp of key datasets also being planned

The government is considering a change in the base year for key economic indices to FY23, as well as a revamp of several datasets, to better capture structural changes in the economy, said people aware of deliberations on the matter. Measures such as the Index of Industrial Production (IIP), Wholesale Price Index (WPI) and National Income are currently benchmarked to FY12. Earlier, the base year was FY05. For the most-followed price benchmark, Consumer Price Index (CPI), base year is 2012. *(The Economic Times)*

Urban unemployment drops slightly to 6.7% in Q4FY24; female labour force participation rises further

Urban unemployment declined to 6.7% in the last quarter of FY24 compared with 6.8% in Q4FY23, according to periodic labour force survey data released Wednesday. Sequentially, there was a pick up in the unemployment rate from 6.5% in the previous quarter. The rise in the unemployment rate compared with the previous quarter can be attributed to a relative slowing down of activity in the last quarter of the year. *Economic Times)*

1 per cent of GDP lost, 49 per cent of young adults consume tobacco: KPMG report highlights India's Tobacco crisis

A report by KPMG Assurance and Consulting Services report titled Human-Centric Approach to Tobacco Control has revealed that India loses precious 1 per cent of the GDP every year due to diseases and early deaths from tobacco use. India ranks second globally in tobacco and it is the highly productive age group that is succumbing to the temptation to use tobacco and tobacco-related products. In India, there is an alarming prevalence of tobacco smoking among the 20-44 age group (young adults). *(Business Standard)*

India's GDP to expand at 6.6% in FY25; will fuel NBFCs' growth: Moody's

Moody's Ratings on Tuesday said the Indian economy is projected to expand 6.6 per cent in the current fiscal year and said strong credit demand fuelled by robust economic growth will support the NBFC sector's profitability. "We expect India's economy to expand 6.6 per cent in the year ended March 2025 (FY25) and 6.2 per cent the following year, and this will lead to robust loan growth at NBFCs, mitigating the impact of rising funding costs on their profitability," Moody's Ratings said. *(Business Standard)*

India's 2024 economic growth projection revised upwards by U.N. to nearly 7%

The United Nations has revised upwards India's growth projections for 2024, with the country's economy now forecast to expand by close to 7% this year, mainly driven by strong public investment and resilient private consumption. The World Economic

Situation and Prospects as of mid-2024, released Thursday, said, "India's economy is forecast to expand by 6.9% in 2024 and 6.6% in 2025, mainly driven by strong public investment and resilient private consumption. Although subdued external demand will continue to weigh on merchandise export growth, pharmaceuticals and chemicals exports are expected to expand strongly." (*The Hindu*)

India's consumer market likely to double by 2031: FM Nirmala Sitharaman

During the CII Annual Business Summit 2024, the finance minister projected that India's consumer market would double by 2031 and anticipated a significant 18% contribution to global growth in the next five years. (*The Economic Times*)



Banking and Monetary Policy

RBI may delay rate cuts, strong bond demand keeps market rates low

The Reserve Bank of India may delay the expected policy interest rate cuts, but strong demand for bonds from long-term investors such as retirement funds and insurers will ensure that market interest rates are low, especially for the top-rated borrowers. Bond issuances by financial institutions and public financial institutions are expected to gain momentum, while corporate bond issuances will moderate due to general tepid demand in the first quarter of any fiscal, according to a report by India Ratings. (*The Economic Times*)

Tighter regulations on personal loans and project finance may hurt banks in FY25

Indian banks, led by state-owned ones, had their best year in fiscal 2024 as growth remained robust and bad loans were at a decadal low, but the current fiscal could be more challenging amid a likely slowdown in credit growth, analysts said. Regulatory changes in unsecured consumer loans as well as new provision norms on project finance and expected credit losses (ECL) as the regulator tightens norms to avoid accidents are expected to impact credit growth. (*The Economic Times*)

RBI Monetary Policy: India's sticky inflation gives RBI reason to stay on hold

India's steady inflation and the threat of rising food prices will probably keep the central bank on hold for longer, with economists pushing out their expectations for interest rate cuts to later in the year. Consumer prices rose 4.83% in April from a year earlier, the Statistics Ministry said Monday, largely in line with the previous month's figures and economists' forecasts. (*The Economic Times*)

SEBI looks to tighten rules for listing of small units

The Securities and Exchange Board of India (SEBI) will tighten rules for public offers of small and medium enterprises (SMEs), according to two sources, after complaints of misuse of a separate listing platform introduced in 2012 to enable small businesses access the capital markets. The markets regulator is considering raising the minimum size of such public offers to ₹30-50 crore, said the two sources who are directly familiar with the discussions. The news rules are slated to be issued later this year after the regulator and exchanges consult stakeholders, they said. (*BusinessLine*)

PSBs to identify one 'champion sector' in their business plans

Public sector banks (PSBs) will identify one "champion sector" in their business plans, to expand significant presence in it by developing specific sector capabilities, said officials. The lenders will also look to design tailored products for segment-specific lending and build internal capacities such as stress testing and early warning signals, they said. "We are discussing these metrics with PSBs as part of their business roadmap till 2026-27," said one of the officials, who did not wish to be identified. *(The Economic Times)*

Monsoon holds key for RBI's future monetary policy actions

As parts of India witness heat waves this summer, chances of the Reserve Bank of India (RBI) cutting key interest rates have also diminished. Severe heat conditions in the country are likely to have an impact on food prices, according to a report by the Bank of Baroda, and it asserted that monsoon now holds the key. IMD, though, has predicted above-normal monsoon for this year. *(The Economic Times)*

Banks' underwriting standards at risk amid rapid consumer loan growth, Fitch says

Asset quality of Indian banks' consumer loans has held up well so far, but an accumulation of "untested risks" due to rapid growth may challenge lenders' underwriting standards and risk controls, Fitch Ratings said on Monday. Indian banks have reported strong loan growth over the last few quarters, boosted by consumer spending amid firm economic growth. *(The Economic Times)*

RBI looks at asset reconstruction companies amid a flood of allegations

India's central bank leadership is scheduled to meet the top management of asset reconstruction companies (ARC) next week to discuss corporate governance and stressed-asset resolutions amid concerns of potential back-door entry by defaulting promoters, people with knowledge of the development told ET. The meeting comes amid allegations that ARCs often strike deals with defaulting promoters, effectively giving them a back-door entry at a steep discount. *(The Economic Times)*

RBI warns NBFCs a mode they use for giving loans may bring grief

The Reserve Bank of India has cautioned the country's non-bank finance companies against getting over-reliant on algo-based credit models or they may regret later. "It is crucial to recognize that rule-based credit engines are only as effective as the data and criteria upon which they are built. Over-reliance on historical data or algorithms may lead to oversights or inaccuracies in credit assessment, particularly in dynamic or evolving market conditions," RBI Deputy Governor Swaminathan J said in a speech on May 15. *(The Economic Times)*



External Sector

April trade gap hits \$19 bn as imports outpace exports

India's merchandise exports began 2024-25 on a mildly positive note, rising 1.07% to \$35 billion in April. But the import bill jumped 10.3% to \$54.1 billion, thanks to a surge in global oil and gold prices, widening the trade deficit to a four-month high of \$19.1 billion. Almost all of the sharp 32.3% year-on-year surge in April's goods trade deficit, compared with the \$14.4 billion gap in April 2023, was fuelled by gold imports that tripled to \$3.11 billion from \$1.01 billion, and a 20.2% rise in the oil import bill, which amounted to \$2.8

billion. The gold import bill in April was also more than double the previous month's tally. *(The Hindu)*

Trade imbalance

India's merchandise exports, which shrank over 3% in 2023-24 — a year marred by multiple geopolitical and logistical disruptions to global trade — are off to a positive start this year, but only just. This April recorded outbound shipments worth \$34.99 billion, reflecting a meagre uptick of 1.07% or \$370 million from a year ago. As many as 17 of India's top 30 export items reported year-on-year contractions, compared with 13 in the previous month. Significantly, these declines are over a weak base — in April 2023, goods exports had tanked 12.7% and 20 of the top 30 items had reported a fall in export values. *(The Hindu)*

'Exports may rebound 14% in FY25'

India's goods exports could rebound to \$500 billion this year as global demand is slowly improving and prospects of a good monsoon could free up curbs on shipments of farm products, the country's apex exporters' group said on Thursday. Exports slipped to \$437.1 billion in 2023-24 after hitting a record high of \$451.1 billion in the previous year. However, the persistent Red Sea crisis that has raised the cost and time for shipping goods to major markets, is beginning to hurt with a few orders already being lost in sectors like metals and commodities. *(The Hindu)*

At \$101.74 billion, China remained top import partner for India in FY2024

China retained its spot as top import partner for India in 2023-24 with goods inflows increasing 3.29% (year-on-year) to \$101.74 billion as opposed to an overall 5.66% decline in the country's imports, as per government figures. High-tech items such as telecom and smartphone parts, laptop and PCs, as well as industrial inputs such as plastic, iron and steel and chemicals contributed substantially to the imports. *(The Hindu)*

India agrees with Australia to share key import data

In a bid to accelerate bilateral talks for a comprehensive free trade deal, India and Australia have agreed to exchange monthly data on preferential imports under the interim trade pact that came into force in late December 2022, even as negotiations for a trade deal with the U.K. are now at an advanced stage. An agreement to share import data between India and Australia, the first such arrangement under India's free trade agreements (FTAs) so far, was reached late last month, Commerce Ministry officials said. *(The Hindu)*

Indian exporters hope to gain from U.S.-China tariff war

Indian exporters are hopeful that the U.S.'s decision to impose penal tariffs on certain Chinese imports may result in opportunities for them as they could step in to meet some of the supply gap. This would be more so if Beijing retaliates, and it turns into a full-blown tariff war. Exporters' body FIEO simultaneously cautioned that the threat of dumping from China cannot be ruled out and the government must keep a strict watch and take appropriate steps if needed. *(The Hindu)*

Gems, jewellery exports lose lustre on global turbulence

Gem and jewellery exports were down 11 per cent last month to \$2.07 billion (₹17,307 crore) against \$2.34 billion (₹19,198.4 crore) in the same period last year, largely due to global economic uncertainties and geo-political concerns. However, import of gem and jewellery was up four per cent at \$1.89 billion (\$1.82 billion), according to the Gem and

Jewellery Export Promotion Council. Amid weak demand, cut and polished diamond exports declined 17 per cent to \$1.15 billion (\$1.39 billion). *(BusinessLine)*

In tepid start to FY25, export of goods rises 1% in April

India's goods exports posted a marginal 1.08 per cent increase in April 2024 (year-on-year) to \$34.99 billion, marking a tepid beginning to the new fiscal year. While items such as electronics, chemicals, pharmaceutical and petroleum posted significant growth, some others like engineering goods, gems and jewellery and leather declined, per government data. Imports during April 2024 registered a higher growth of 10.27 per cent to \$54.09 billion, as items such as gold and petroleum surged, pushing trade deficit to a five-month high of \$19.1 billion, according to quick estimates released by the Commerce Department on Wednesday. *(BusinessLine)*

Odisha FPOs begin commercial shipment of fresh produce to other countries

The first commercial shipment of fresh farm produce by farmer producer organisations (FPOs) in Odisha was shipped, via the Biju Patnaik International Airport (BPIA) on May 15, 2024. A media statement said 0.75 tonnes of fresh produce were shipped to Dubai, with an incremental price realisation of 20-30 per cent for the farmers. Of this, 0.5 tonnes was supplied by Madanamohana Farmers' Producer Cooperative Society Ltd, an FPO supported by Harsh Trust, from Odapada block of Dhenkanal district. *(BusinessLine)*

Onion export curbs bring tears to farmers, politicians face growers' ire

In the shadow of the final chapter of Maharashtra's Lok Sabha elections, the pivotal onion-growing strongholds of Nashik and Dindori constituencies are poised to cast their votes amidst rising tensions and discontent. India, a global titan in onion cultivation and the second-largest producer worldwide, finds its crucial epicentre in Maharashtra, which alone contributes 43 per cent to the nation's onion yield. Out of total onion production in Maharashtra, 10 per cent comes from Nashik district. *(BusinessLine)*

RBI may consider exporters' demand for a sub-target within priority sector lending cap

The RBI may consider exporters' demand for a sub-target for export credit within the existing 40 per cent earmarked for priority sector lending (PSL) to ensure improved credit flow to the sector facing a cash crunch due to disruptions caused by the Red Sea crisis. The Federation of Indian Export Organisations (FIEO) has proposed to the Commerce Department that 5-6 per cent of the banks' priority sector lending norm should be earmarked for the export sector to help exporters meet the increased need for credit because of longer shipping times and payment delays. *(BusinessLine)*

Increasing FTAs key strategy for enhancing financial services exports: DFS Secy

Financial Services Secretary Vivek Joshi emphasized the importance of increasing Free Trade Agreements (FTAs) to boost India's financial services exports during a workshop on financial services in FTAs. The event, jointly organized by the Department of Financial Services (DFS) and Exim Bank, aimed to explore the role of financial services in FTAs and their impact on global trade and economic development. *(The Economic Times)*

India's strong institutional mechanism to prevent potential dumping of Chinese goods: Official

India has a strong institutional mechanism to prevent any potential dumping of goods from China following the US' decision to increase tariffs on key imports such as electric vehicles, an official said Wednesday, adding that Washington's decision indicates that "no

country is willing to put all their eggs in one basket post the Covid-19 pandemic". India is also following a policy to ensure the country has domestic capability for manufacturing of EVs, the official said, adding that India's policy is sound and its is speculative to worry. *(The Economic Times)*

Higher gold imports, low exports weigh as India's trade deficit widens to \$19.1 billion

India's merchandise trade deficit widened to \$19.1 billion in the month of April, Commerce Secretary Sunil Barthwal said on Wednesday. A Reuters poll of economists had pegged April's trade deficit at \$17.23 billion. India's trade deficit had narrowed to a 11-month low of \$15.6 billion in March. Merchandise exports inched up 1.06 per cent on an annual basis to \$34.99 billion. Meanwhile, imports in April grew 10.3 per cent year-on-year to \$54.09 billion after growing \$57.28 billion in March government data showed. *(The Economic Times)*

India needs to reduce trade tariffs, simplify procedures and remove protectionism: NITI Aayog CEO BVR Subrahmanyam

Speaking at Confederation of Indian Industry's Annual Business Summit 2024, Subrahmanyam listed out the need for fundamental reforms in education and skilling, need for intervention to enhance the women labour force participation rate and plethora of policy measures in agriculture along with greater private sector investment in infrastructure and governance reforms. *(The Economic Times)*



Agriculture and Rural Economy

Onion farmers detained ahead of PM Modi's visit to Nashik

Ahead of Prime Minister Narendra Modi's visit to Nashik, over 50 farmers and Opposition parties from the Maha Vikas Aghadi were detained in different police stations in Nashik. The onion producers and the Opposition had planned to stage a protest against the poor and unstructured decisions taken by the Central government regarding export prices over the last one year. *(The Hindu)*

Google Arts & Culture and India's Ministry of Agriculture launch digital exhibit on millets

In collaboration with India's Ministry of Agriculture and Farmers Welfare, Google Arts & Culture today launched a new digital exhibit, "Millets: Seeds of Change," said Google Arts and Culture in a media release. "The digital exhibition highlights the history of millets from ancient grains to modern-day superfoods, as well as their nutritional benefits, contribution to global climate resilience, and potential to address global food security challenges," the release added. *(The Economic Times)*

Tea Association of India flags a strange phenomenon

Tea Association of India (TAI) stated that the strange phenomenon of drop in crop production with no concomitant rise in prices is in stark contrast to the 2020 scenario when drop in production due to covid closure caused a sharp rise in realization of tea prices. Prabir Kr. Bhattacharjee Secretary-General Tea Association of India stated that data released by Tea Board of India indicates a drop of production of around 40% in

Assam and around 23% in West Bengal up to the month of March 2024 as against last year during the same period. (*The Economic Times*)

Onion prices fall by 15% due to lack of export demand

Though India reversed the export ban on onions 10 days ago, export demand has dried up as Indian onion is more expensive than Pakistan's. Besides, subdued exports dampened domestic onion prices by over 15 % in the last week. Exporters don't see demand coming for another 15 days as overseas buyers, who have stocked overpriced Pakistani onions when Indian onion was not available. They want to liquidate their stocks as India's entry has crashed the international onion prices by more than 50% in a week. (*The Economic Times*)

Agriculture Ministry to directly connect with state agriculture universities

Agriculture Ministry, for the first time, held a meeting with Vice-Chancellors of state agriculture universities (SAUs), which was so far handled by the Indian Council of Agricultural Research (ICAR), and offered to onboard them on different government schemes. The ministry is also ready to directly fund them for projects, which was earlier made through ICAR. (*BusinessLine*)

Can special agriculture economic zones unlock a stronger agro-economy?

Recent regulations such as the EU's Directive on Corporate Sustainability Due Diligence (CSDD) require companies to identify and disclose their emissions sources and engage more directly with farmers to improve the traceability of commodities in their supply chains. The global increase in mandatory climate and nature frameworks demanding greater levels of supply chain transparency, reporting and disclosure will no doubt have an impact on India's agricultural landscape. (*BusinessLine*)

Modi-government's income support scheme for farmers – PM-Kisan is permanent, says T Nandakumar, former agriculture secretary

India faced one of its biggest farmers' protest during the NDA government under Prime Minister Narendra Modi which ended after a year with the withdrawal of three farm laws. However, the narrative in the last 10 years changed towards farmers' income from production-centric in the previous decade. Former agriculture and food secretary T Nandakumar in conversation with Prabhudatta Mishra spoke about the changes in policy initiatives to reflect the growing needs of farmers for better income. (*BusinessLine*)

Weather reports from satellites help India's farming innovation drive

The Indian government, which just relaxed foreign investment rules for the space sector, is leaning heavily into the use of satellite data to solve problems on the ground, with agriculture a key focus. (*Business Standard*)

Number of Agri startups jumps multifold to 7,000 in last 9 years: Report

The number of startups in agriculture and allied sectors has risen to over 7,000 in the last nine years due to a conducive business environment and government support, a report said. Before 2014-15, there were less than 50 startups in agriculture and allied sectors, according to a report titled 'Transformation of India's Agriculture' released by the Federation of All India Farmer Associations (FAIFA) on Wednesday. (*Business Standard*)



On the importance of regulatory sandboxes in artificial intelligence

The advancement of Artificial Intelligence (AI) technologies has posed both unprecedented opportunities and complex challenges for societies worldwide. As AI applications continue to proliferate across industries such as healthcare, transportation, finance, and more, concerns have emerged regarding ethical implications, data privacy, and potential risks associated with their deployment. In response, many governments and regulatory bodies have turned to innovative approaches such as “AI regulatory sandboxes” to strike a balance between fostering AI innovation and ensuring responsible development. *(The Hindu)*

Solar Industries India consolidated net profit rises 14.05% in the March 2024 quarter

Net profit of Solar Industries India rose 14.05% to Rs 235.05 crore in the quarter ended March 2024 as against Rs 206.10 crore during the previous quarter ended March 2023. Sales declined 16.48% to Rs 1610.71 crore in the quarter ended March 2024 as against Rs 1928.54 crore during the previous quarter ended March 2023. For the full year, net profit rose 10.40% to Rs 835.93 crore in the year ended March 2024 as against Rs 757.19 crore during the previous year ended March 2023. Sales declined 12.32% to Rs 6069.52 crore in the year ended March 2024 as against Rs 6922.53 crore during the previous year ended March 2023. *(Business Standard)*

Space industry offers good opportunity for private players: Isro chief

ISRO Chairman S Somanath has said the Indian space industry is offering a tremendous opportunity to the private sector in the country as a new area of growth and development. He said the union government envisages the space sector in the country to become a 9-to-10-billion-dollar industry in the next 5-10 years from the current levels of 2 billion dollars. *(Business Standard)*

Robust growth momentum to continue in India says OPEC, Manufacturing expected to be a key driver of expansion

OPEC stated in a monthly report that the strong growth seen in India during 4Q23 appears to be carrying over into 2024. India's economy grew by 8.4%, y-o-y, in 4Q23, with services expanding by 7.0%, y-o-y, and manufacturing by 11.6%, y-o-y. Industrial production also maintained momentum into 2024, with a 5.7%, y-o-y, increase in February and 4.1% growth in January, following a 4.3%, y-o-y, rise in December. Amidst these positive trends, consumer confidence rose to 98.5 in March, up from 95.1 in January. *(Business Standard)*

Modi govt focusing on boosting manufacturing, says EAM Jaishankar

Boosting India's domestic manufacturing and the overall economy will provide much more resources in its foreign policy toolkit to expand the country's influence globally and compete with China on the economic front, External Affairs Minister S Jaishankar has said. In an exclusive interview to PTI, Jaishankar said India under the leadership of Prime Minister Narendra Modi has been focusing on enhancing domestic manufacturing in the last 10 years as there was a neglect of the sector before 2014 that created many problems for the country. *(Business Standard)*

Unlocking Maharashtra's spices export potential

In recent years, there has been a growing demand for Maharashtra's spices in domestic as well as international markets. The production of spices is distributed across various regions of Maharashtra, each with its unique agro-climatic characteristics. For instance, Vidarbha is known for turmeric, chilli, black pepper, ginger, coriander; north Maharashtra for turmeric, ginger, chilli, garlic; Marathwada for turmeric and chilli; Western Maharashtra for chilli, pomegranate, turmeric, ginger; and Konkan for black pepper, clove, cinnamon, nutmeg and kokam. *(Business Standard)*

The return that the industry needs is predicated on tariff repair: Airtel MD

Telecom services provider Bharti Airtel (Airtel) on Wednesday said that tariff repair is required because it is still at a very low level in India as compared to other parts of the world. The Sunil Mittal-led company has been flagging low tariffs in the Indian telecom industry since the launch of 4G services by Reliance Jio in 2016 and has been vocal on increasing the average revenue per user (ARPU) to at least ₹300. *(BusinessLine)*

Crude oil rises as industry data indicate US inventory decline

Crude oil futures traded higher on Wednesday morning as the industry data showed decline in oil inventories in the US. At 9.56 am on Wednesday, July Brent oil futures were at \$82.90, up by 0.63 per cent, and June crude oil futures on WTI (West Texas Intermediate) were at \$78.57, up by 0.70 per cent. May crude oil futures were trading at ₹6562 on Multi Commodity Exchange (MCX) during initial trading on Wednesday morning against the previous close of ₹6512, up by 0.77 per cent, and June futures were trading at ₹6545 against the previous close of ₹6498, up by 0.72 per cent. *(BusinessLine)*

India leader in Green Energy Affordability, says MNRE Secretary

New and renewable energy secretary Bhupinder Singh Bhalla reiterated India's position as a global leader in renewable energy affordability, emphasizing the nation's low cost of renewable energy. Bhalla highlighted India's integrated grid infrastructure as a key enabler for the seamless integration of renewable energy sources into the national energy mix while speaking at the World Hydrogen Summit 2024 in Rotterdam, Netherlands. *(The Economic Times)*

Will China become the cat among India's EV pigeons?

Cheap but efficient Chinese electric vehicles (EVs) have sent a scare in the US and Europe. Many have predicted doomsday scenarios. The Alliance for American Manufacturing has said that government subsidized Chinese EVs "could end up being an extinction-level event for the U.S. auto sector". Earlier this year, Tesla CEO Elon Musk told industry analysts Chinese EVs are so good that without trade barriers, "they will pretty much demolish most other car companies in the world." *(The Economic Times)*

Two-wheeler makers ride high on record sales of branded spare parts

Two-wheeler makers Royal Enfield, Bajaj Auto and Hero MotoCorp posted record revenue from sales of branded, genuine parts - like brake pads, headlights and speedometer - accessories and merchandise in FY24. At their post-earnings investor calls, company executives attributed this to the market for such items becoming more organised and buyers giving preference to branded spares over non-branded ones. *(The Economic Times)*

After rooftop scheme, plan in works to drive solar pumps

The government is looking to make solar agricultural pump installations under the PM-KUSUM scheme directly accessible to farmers by connecting them to vendors through a national portal, emulating the revamped solar rooftop scheme PM Suryaghar Muft Bijli Yojana. It will help farmers choose the kind of solar pumps they want and reduce the time taken for installations, said officials. *(The Economic Times)*

India's aviation may fly into a good growth zone, air passenger traffic may grow around 8-11%: ICRA

India's airport operators and the aviation stakeholders may have a good time ahead as overall air passenger traffic may grow around 8-11% YoY to around 407-418 million in this fiscal year, ICRA said. Pick-up in both leisure and business travel, improving connectivity to newer destinations in the domestic segment, and the continued uptick in international travel are expected to drive the growth, the ratings agency said. *(The Economic Times)*

Indian container cargo to grow at 8% in FY25 amid Red Sea crisis: CareEdge Ratings

Indian container cargo volume is expected to grow by 8% at 342 million tonnes (mt) in FY25, amid the risk of a prolonged Red Sea crisis, CareEdge Ratings said on Thursday. The slated connection of the Dedicated Freight Corridor to Jawaharlal Nehru Port Trust (JNPT) in FY26, alongside capacity additions by ports, is expected to drive growth in container volumes over the medium term, the ratings agency said in a sectoral report. *(Mint)*



News on Kerala

Kerala sounds warning on West Nile Virus before monsoon; neighbouring states on guard

Kerala's annual battle with vector-borne diseases has begun early this year, even before the South West monsoon, with West Nile Fever (WNF) being reported from several districts. The first official alert was sounded by the Health Department on May 7 and according to the IDSP report to date, the State has reported 20 suspected cases (only 10 cases confirmed so far) and two deaths are also suspected. *(The Hindu)*

KSRTC plans snacks aboard buses, restaurants at depots

In a bid to improve passenger experience in the State-run Kerala State Road Transport Corporation (KSRTC) buses and bus stands, the public utility has decided to provide refreshments to passengers aboard the bus apart from making arrangements for passengers on long-distance buses to dine from bus stations. The KSRTC has invited tenders from those interested in providing refreshments during bus journeys. *(The Hindu)*

Driving test protests called off after truce between Kerala govt. and unions

Putting an end to the two-week-long stalemate between the Kerala government and driving school owners unions across the State, the Transport department has decided to relax some of the provisions in the government circular issued as part of implementing the revised driving test format in the State. *(The Hindu)*

Kerala govt's borrowing lawsuit to be listed before constitution bench: SC

The Supreme Court on Tuesday assured the Kerala government that its lawsuit against the Centre raising the issue of ceiling on net borrowing will be considered for listing before a five-judge Constitution bench. A bench comprising Justices Sanjiv Khanna and Dipankar Datta took note of the submissions of senior advocate Kapil Sibal, appearing for the state government, that the matter is urgent and be listed after the summer vacation (*Business Standard*)

Monsoon to hit Kerala coast on May 31, says IMD

The India Meteorological Department (IMD) on Wednesday said that monsoon will hit Kerala coast on May 31, which is a day earlier than its normal schedule day of June 1 in the mainland. IMD also said the southwest monsoon is very likely to advance into South Andaman Sea, some parts of Southeast Bay of Bengal and Nicobar Islands around May 19. "This year, the southwest monsoon is likely to set over Kerala on May 31, with a model error of ± 4 days," IMD said in a statement late evening. (*BusinessLine*)

Kerala will seek timely revisions in norms governing drought declaration, central aid: Prasad

The State government will seek timely revisions in the norms governing the declaration of drought and Central aid in the light of the heavy losses sustained by the agriculture sector this summer, Agriculture Minister P. Prasad has said. The State's requirement will be placed before the Union government after discussing it with Chief Minister Pinarayi Vijayan, Mr. Prasad told The Hindu on Wednesday. (*The Hindu*)

HC seeks govt. response to plea for appointment of judicial member of RERA

A Division Bench of the Kerala High Court has sought the response of the State government to a public interest litigation seeking a directive to take steps to make appointment to the post of judicial member at the Kerala State Real Estate Appellate Tribunal (RERA), which would fall vacant on May 27. (*The Hindu*)

KSSP asks the State govt. not to implement PM SHRI in Kerala

The Kerala Sasthra Sahithya Parishath (KSSP) has come out against the implementation of PM SHRI (Pradhan Mantri Schools for Rising India) in Kerala and urged the State government not to sign the agreement with the Union government in this regard. In a statement on Wednesday, the KSSP said the PM SHRI scheme that was being allegedly forced on the States by the Union government by piling on financial pressure would have serious consequences for Kerala's public education sector. (*The Hindu*)

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