



## Public Finance

### **Finance Minister Thangam Thennarasu unveils T.N. Public Fund Tracking System**

Tamil Nadu Minister for Finance and Human Resources Management Thangam Thennarasu on Tuesday, February 27, 2024, launched the Tamil Nadu Public Fund Tracking System (TNPFTS), aimed at ensuring procedure simplification, complete tracking of funds from the treasury to end-users and expenditure rationalisation, among other aspects. (*The Hindu*)

### **Fiscal deficit at 64% by January; Capex slid last month**

The Centre's capital expenditure slipped by a sharp 40.5% in January at ₹47,600 crore compared with ₹80,000 crore a year ago, while the fiscal deficit hit 64% of the revised estimates for 2023-24 by the end of January. With just two months to go in the financial year, the government is likely to miss its capex target and is also behind on its revenue expenditure plans, but it appears comfortably on track to meet the revised deficit goal of 5.8% of GDP, economists reckoned. (*The Hindu*)

### **Himachal Cabinet decides to constitute 7th State Finance Commission**

Shimla, Feb 29 (PTI) The Himachal Pradesh Cabinet on Thursday decided to constitute the 7th State Finance Commission to review the financial position of panchayats and municipalities and to make recommendations to the government. The decision was taken at a meeting held here in the evening under the chairmanship of Chief Minister Sukhvinder Singh Sukhu, said an official statement. (*ThePrint*)

### **Are States getting funds they are entitled from the Centre?**

The recent agitations by the governments of Kerala and Karnataka, and the support extended by several State governments, have highlighted many disquieting issues in the practice of fiscal federalism in India. These agitations show that the newly constituted 16th Finance Commission (FC) would have to proceed seriously and innovatively to justly address complaints of increasing vertical and horizontal inequalities in devolution. (*The Hindu*)

### **States' borrowing cost decline marginally to 7.44 per cent**

The borrowing cost for states continued to fall for the third week in a row, with the weighted average price falling to 7.44 percent in the debt auction on Tuesday. The cost had remained at a two-year high throughout January sniffing at 7.8 percent. However, the overall cost has been falling since the interim Union Budget, which forecast a lower than anticipated borrowing and a fiscal deficit target of 5.8 percent for this fiscal and 5.1 percent for the next financial year. (*The Economic Times*)



### **Taxes on imported cars high, but people are able to digest them, says top Lambo official**

Taxes/customs duties on imported cars are quite high in India, but people who can afford such cars can digest that kind of taxation, according to luxury sports car maker Lamborghini. India imposes more than 100 per cent import duty on completely built units (CBUs). *(BusinessLine)*

### **Will outstanding tax demand waiver help you get pending income tax refund?**

The Central Board of Direct Taxes (CBDT) issued a circular on February 13, 2024, to implement the interim budget announcement of waiving off direct outstanding tax demand of up to specified amounts for specified financial years. Finance Minister Nirmala Sitharaman had announced the waiver of outstanding personal tax demand up to Rs 25,000 till FY 2014-15 in the Interim Budget 2024. *(The Economic Times)*

### **NPS investment can save you tax on income up to Rs 9.5 lakh under old, new tax regime**

Individuals opting for the new tax regime in the current financial year can get a deduction under Section 80CCD (2) of the Income Tax Act by investing in NPS. This deduction from gross total income can be claimed if the employer makes a contribution to NPS account on behalf of the employee. Here, the employer deposits money into the Tier-I NPS account of the employee. These NPS contributions are part of an employee's cost to company (CTC) and so impact the take-home pay. *(The Economic Times)*

### **Grievances for unextinguished tax demands can be submitted to CPC**

The Central Board of Direct Taxes (CBDT) has come out with an order stating it will waive small income-tax demands, with a ceiling of Rs 1 lakh per taxpayer across assessment years. Taxpayers with old, outstanding taxes will benefit from the scheme. After the FM's announcement, the CBDT has now issued the order pertaining to the waiver, detailing how demands for various assessment years are to be extinguished. *(Business Standard)*

### **'GST Council may soon clarify on exemption of tax to Rera bodies'**

The GST Council is likely to soon clarify that Real Estate Regulatory Authority (Rera) will not be required to pay Goods and Services Tax (GST), an official said. According to the official, Rera, which functions as a regulator as well as facilitator for the realty sector, is covered under Article 243G of the Constitution dealing with powers, authority and responsibilities of panchayats. *(Business Standard)*

### **Govt hikes windfall tax on petroleum crude**

The government hiked its windfall tax on petroleum crude to Rs 4,600 a metric ton from Rs 3,300 with effect from March 1, according to a government order released on Thursday. India also cut the windfall tax on diesel to zero from Rs 1.50 per litre effective March 1, the order showed. The tax on petrol and aviation turbine fuel will continue to be nil. *(The Economic Times)*



## National Accounts and State of the Economy

### **Economy expands 8.4% in Q3; FY24 growth projection now up at 7.6%**

Defying expectations by a considerable margin, India's economy witnessed a six-quarter high growth rate of 8.4 per cent in Q3FY24, largely due to extraordinarily high tax collections and control over subsidies, amid significant revisions in earlier gross domestic product (GDP) estimates. A Bloomberg poll of economists had estimated GDP growth of 6.6 per cent for the December quarter, while the Reserve Bank of India had projected slightly slower growth at 6.5 per cent for the same period. *(Business Standard)*

### **8.4% GDP growth shows economy's strength, potential, says PM Modi**

The GDP growth of 8.4 per cent in the third quarter shows the strength of Indian economy and its potential, Prime Minister Narendra Modi said on Thursday, asserting that the government will continue to make efforts to keep fast economic growth and help 140 crore Indians lead a better life and create a 'Viksit Bharat'. Beating estimates, India's economic growth shot to 8.4 percent in the third quarter of 2023-24, mainly due to good performance by the manufacturing, mining & quarrying, and construction sectors. *(Business Standard)*

### **Decoding GDP numbers: Consumption sluggish, govt capex powers investment**

India's consumer demand remained feeble while robust capex push by the central government remained the key driver of economic growth during the December quarter of FY24. According to the latest gross domestic product (GDP) data released by the National Statistical Office on Thursday, private final consumption expenditure (PFCE) grew at 3.5 percent in the December quarter, accelerating from 2.4 percent in the preceding quarter. However, the gross fixed capital formation (GFCF), which is a proxy for investment demand, grew at double digits (10.6 percent) for the second consecutive quarter during the current financial year. *(Business Standard)*

### **Retail inflation for industrial workers eases to 4.59pc in January**

Retail inflation for industrial workers eased to 4.59 percent in January compared to 4.91 percent in December 2023 mainly due to lower prices of certain food items. Food inflation stood at 7.66 percent in January 2024 against 8.18 percent in December 2023. Food inflation was 5.69 percent in January 2023 a year ago, a labour ministry statement said. Retail inflation based on the consumer price index for industrial workers (CPI-IW) was 6.16 percent in January 2023. *(The Economic Times)*

### **Economy on high growth trajectory due to sustained reforms: India Inc**

India Inc on Thursday said 8.4 per cent GDP growth in the October-December quarter of FY24 has "surpassed" expectations, and the economy is on a high growth trajectory due to sustained reforms undertaken by the government. India's economic growth accelerated to 8.4 per cent in the October-December quarter of this fiscal, driven by double-digit growth in manufacturing and good showing by mining & quarrying and construction sectors. *(Business Standard)*

### **Indian economy remains resilient, says NCAER report**

High frequency indicators reveal that the Indian economy remains resilient with Purchasing Manager's Index (PMI) for services accelerating and manufacturing regaining

momentum, economic think tank National Council of Applied Economic Research (NCAER) said in report released on Wednesday. Further, NCAER said the composite PMI accelerated to 61.2 in January from 58.5 in December 2023. The report mentioned about healthy GST collections which reached a value of Rs 1.7 lakh crore in January, registering a year-on-year growth of 10.4 per cent. *(The Economic Times)*

### **Centre hikes commercial LPG & ATF prices; check latest prices here**

State-owned retailers on Friday revised the prices of commercial LPG gas cylinders and jet fuel with effect from March 1. The prices of 19 Kg commercial LPG gas cylinders hiked by Rs 25 across metros. The retail price of a 19 Kg commercial LPG cylinder in Delhi has been hiked to Rs 1795 per cylinder while in Mumbai, it costs Rs 1,749. Prices of the 19 kg cylinder have been hiked to Rs 1,911 and Rs 1,960.50 in Kolkata and Chennai respectively, as of March 1. *(The Economic Times)*



## **Banking and Monetary Policy**

### **Growth in bank credit to industry decelerates to 7.8% in January: RBI**

Growth in bank credit to industry decelerated to 7.8 per cent year-on-year in January compared to 8.7 per cent in the same month last year, according to Reserve Bank data released on Thursday. The RBI's data on 'Sectoral Deployment of Bank Credit - January 2024' also showed that credit growth to agriculture and allied activities improved to 20.1 per cent (year-on-year) in January 2024 from 14.4 percent a year ago. *(The Economic Times)*

### **New lending landscape: Fintech powers banks to storm NBFC bastion**

High-street banks are harnessing fintechs to build disproportionately dominant market shares in India's burgeoning consumption credit market, once considered the bailiwick of non-banking financial companies (NBFCs) and home financiers, which are now ceding ground in most pockets of retail lending, barring the smallest-ticket personal loans. Rising interest rates and strict capital norms have slowed fund flows to NBFCs. This has left banks with additional cash for direct onward lending - and incremental market share in a high-margin, low-risk lending pocket. *(The Economic Times)*

### **RBI proposes norms for disclosure of climate-related financial risks for lenders**

The Reserve Bank of India has told banks and other lenders to disclose more information about their climate-related financial risks so that stakeholders -- from regulators to customers -- can understand and assess the risk early. Climate-related disclosures by regulated entities is an important source of information for different stakeholders -- customers, depositors, investors and regulators -- to understand relevant risks faced and approach adopted to address such issues. *(The Economic Times)*

### **RBI wants to keep inflation vigil, MPC's external members see room to ease a bit**

Temporary food shocks, fiscal consolidation and high real interest rates have created the scope for reduction in policy interest rates, said external members of the Monetary Policy Committee, but those from the Reserve Bank of India (RBI) believe that the markets are running ahead of policy makers. Prof. J.R. Varma, who voted for a reduction in the repo rate by a quarter point and a shift in monetary stance to neutral from withdrawal of

accommodation, said the economy is not overheating and the MPC needs to send a signal it is living up to its dual mandate on inflation and growth. *(The Economic Times)*

### **RBI streamlines process of filing supervisory returns by banks, NBFCs**

The RBI has issued directions for filing of supervisory returns for various supervised entities in order to bring clarity, brevity and harmonization. The move will help reduce the burden of compliance on the regulated entities based on the recommendations of the Regulations Review Authority (RRA 2.0) and an Internal Working Group of RBI. These directions will be applicable from April 1, 2024 to banks, NPCI Bharat BillPay Limited and other non-bank payment system participants. *(The Economic Times)*

### **RBI imposes nearly Rs 3 crore fine on SBI, Canara Bank, and City Union Bank**

The Reserve Bank of India (RBI) on Monday said it has imposed penalties amounting to almost Rs 3 crore on State Bank of India, Canara Bank, and City Union Bank for violation of regulatory norms. In a statement, the RBI said a penalty of Rs 2 crore has been imposed on the State Bank of India (SBI) for contravention of certain norms related to the Depositor Education Awareness Fund Scheme, 2014. *(The Economic Times)*

### **Paytm likely to partner with four banks for enabling UPI transactions, sources say**

India's troubled Paytm is likely to partner with Axis Bank, HDFC Bank, State Bank of India and Yes Bank for processing transactions via the popular unified payments interface (UPI), two sources aware of the development said. The central bank has asked Paytm Payments Bank, the banking unit of Paytm to wind down its business by March 15, leading to disruption for the popular payment app. *(The Economic Times)*

### **Unsecured retail loans building up stress in financial system**

Indian banks are facing a hidden threat in their unsecured credit portfolios, with banks like IndusInd Bank, Bandhan Bank, and Yes Bank showing signs of stress. Despite strong earnings and reduced bad loans, the increase in unsecured loans could lead to a rise in bad loans in the future. The RBI has taken measures to control this, including increasing risk weights for unsecured loans. However, these loans can be highly profitable if done with proper underwriting, even though deposit growth in Indian banks lags behind credit growth. *(The Economic Times)*

### **Banks' deposit growth to moderate 12-13% in FY25**

While deposit growth improved to 12.5 per cent in Q3 FY24 from 9.6 per cent in FY23, it continues to lag system credit growth, which is around 16.1 per cent. System loan to deposit ratio (LDR) is at 81 per cent, the highest in the last five years. *(BusinessLine)*

### **RBI revises BBPS framework to streamline bill payments, enhance protection**

Reserve Bank of India has put in place a revised regulatory framework for Bharat Bill Payment Systems (BBPS) based on a review of developments in the payments landscape. The new framework, applicable from April 1, 2024, looks to streamline the process of bill payments, enable greater participation, and enhance customer protection, among other changes, the central bank said in a release. *(BusinessLine)*

### **RBI conducts back-to-back VRRR auctions to absorb liquidity from banks**

The Reserve Bank of India (RBI) conducted two back-to-back variable rate reverse repo (VRRR) auctions on Wednesday after a gap of 21 days to suck out liquidity from the banking system and try and push up the overnight market rates. *(BusinessLine)*



### **India's oil imports from Russia threatened after US imposes new sanctions**

Fresh US sanctions on Moscow threaten to dent Russian oil sales to India, the biggest buyer of Russian seaborne crude, and complicate efforts by Indian state refiners to secure annual supply deals, three industry sources familiar with the matter said. Washington on Friday imposed sanctions to mark the second anniversary of Moscow's invasion of Ukraine and retaliate for the death of opposition leader Alexei Navalny. *(Business Standard)*

### **India's thermal coal imports fall for first time since Covid-19 pandemic**

India's thermal coal imports are expected to fall for the first time this year since the Covid-19 pandemic due to increasing domestic output and record high inventories, industry officials said on Tuesday. Out of eleven coal traders Reuters spoke with at the Coaltrans India conference in the western state of Goa, eight expected shipments of the fuel to decrease this year, while the others foresaw flat imports or marginal growth. *(Business Standard)*

### **WTO MC13: India says developing nations need fish subsidies for livelihood, development needs**

India has emphasised that a comprehensive agreement on fisheries subsidies, which is being negotiated at the on-going 13th WTO Ministerial Conference in Abu Dhabi, should be built on the principles of 'common but differentiated responsibilities and respective capabilities' (CBDR- RC). It must also incorporate special and differential treatment (S&DT) to protect the livelihood and growth needs of the fishing community in developing countries. *(BusinessLine)*

### **India closes in on trade deal with Oman as Mideast ties strengthen**

India and Oman are close to concluding talks on a trade deal that will allow easier access of goods and services into each other's markets, officials familiar with the matter said, further cementing the South Asian nation's presence in the Gulf region. The two sides have reached consensus on a majority of the issues in the comprehensive economic partnership agreement and the talks are likely to conclude soon, the people said, asking not to be identified because the discussions are private. A deal could be finalized as early as March, one of the people said. *(Business Standard)*

### **India wants all members to be able to join WTO's dispute settlement reform process**

India has called for the restoration of the WTO's Appellate Body as the top-most priority of any reform process and sought immediate and effective formalisation and multilateralisation of the informal dispute settlement (DS) reform process. At the working session on DS reforms at the WTO's 13th Ministerial Conference (MC13) in Abu Dhabi on Wednesday, India reiterated its long-standing position that a credible and reliable WTO DS system is the bedrock of an equitable, effective, secure and predictable multilateral trading system. *(BusinessLine)*

### **India calls out hidden agenda of rich nations to tap poor countries' markets**

India has criticised the Global North for pushing their hidden agenda of using sustainability, development and gender equality to seek market access in poor nations

even as it sought to revive the talks on services trade and mobility."These might seem like innocuous issues such as gender equality, environment sustainability, development and indigenous population but they have a hidden agenda through which they want to create market access for their products," said an official. *(The Economic Times)*

### **Nepal-India official dialogue silent on landmark Pancheshwar project**

More than a month after India and Nepal signed the agreement on long-term power sharing, the two sides have not managed to make any forward movement on the stalled negotiations over the landmark Pancheshwar Multipurpose Project (PMP). A press note issued on this meeting mentioned the two sides discussed "multifaceted cooperation", but it did not include any reference to the PMP, which is by far the biggest bilateral power project conceived between the two sides. *(The Hindu)*.

### **UAE's exit from FATF grey list may spark surge in FPI flows into Indian NBFCs**

The United Arab Emirates' exit from the the grey list on Friday, nearly two years after its inclusion by the Financial Action Task Force, will ease the road for the country's investors seeking to acquire significant influence in Indian NBFCs. An RBI circular in 2021 had stated that investments in NBFCs from FATF non-compliant jurisdictions would not be treated at par with that from compliant jurisdictions. *(The Hindu)*

### **Govt charts out mega plan to ease coal evacuation**

In an attempt to reduce coal imports while enhancing domestic availability, the government has firmed up a plan to increase the share of railways in transportation of the fuel to 87% by FY30 from the current 65%. It also aims to eliminate the transport of coal through roads during the period which is currently at 26%. The government further sees domestic coal production touching 2 billion tonnes per annum starting 2047 with zero imports of either coking or non-coking coal. *(Financial Express)*

### **FDI inflows decline 13 per cent to \$32 billion in April-December 2023**

Foreign direct investment (FDI) inflows in India declined 13 per cent to \$ 32.03 billion in April-December 2023, dragged down by lower infusion in computer hardware and software, telecom, auto, and pharma sectors, according to the latest government data. FDI inflows stood at \$ 36.74 billion during the corresponding nine months of the preceding fiscal. Inflows during the October-December quarter of the current fiscal, however, rose by 18 per cent to \$ 11.6 billion as against \$ 9.83 billion during the same quarter of 2022-23. *(Financial Express)*

### **India's 'insourcing' boom does not spell doom for outsourcing, tech execs say**

Global companies are setting up more offices in India and expanding in-house teams but that does not mean the end of the road for Indian IT firms, which rely heavily on outsourcing deals, executives said at a Nasscom event last week. Companies opened 118 global capability centers (GCCs) in India over the past two years in a boost to 'insourcing' efforts, taking their total count to over 1,620, February data from the industry body showed. *(ThePrint)*

### **New US sanctions more likely to curb Indian imports of Russian coal, traders say**

New U.S. sanctions on Moscow are more likely than previous ones to cut Indian imports of thermal coal from Russia because they specifically cite top exporters SUEK and Mechel, three major traders of Russian coal said. Russia, historically a minor exporter of the fuel to India, began boosting shipments to the south Asian country after Western sanctions against Moscow over its invasion of Ukraine. *(ThePrint)*

### **10 customs stations in NE digitised to expedite clearance process in cross-border trade**

Union Finance Minister Nirmala Sitharaman on Thursday virtually inaugurated Electronic Data Interchange (EDI) at 10 land customs stations (LCS) in the northeastern region to expedite the clearance process in cross-border trade. The process was till now undertaken in the manual mode, which took more time. “EDI implementation is poised to empower members of the trade community and all stakeholders in the customs clearance process through reduction in dwell-time and costs associated with cross-border trade,” North East Commissioner of Customs (Preventive) M Rahman told reporters here. *(ThePrint)*

### **India’s basmati rice exports to fall as Pakistan’s surge**

India’s basmati rice exports are likely to fall in 2024 after nearing a record high last year, as rival Pakistan is offering the grain at competitive prices amid a rebound in production, industry officials said. India and Pakistan are the leading exporters of the premium long-grain variety of rice, famous for its aroma, to countries such as Iran, Iraq, Yemen, Saudi Arabia, the United Arab Emirates, and the United States. *(ThePrint)*

### **Vietnam imports husked brown rice from India for re-exports, sources say**

Vietnam has imported husked brown rice from India for the first time in decades to process the grain and export the refined, white variety, trade and government sources said, as Hanoi tries to cash in on strong global demand for the staple. Vietnam, the world’s third biggest rice exporter, has imported at least 200,000 metric tons of husked brown rice from India between December and February, the sources said. *(ThePrint)*

### **India’s thermal coal imports seen falling for first time since pandemic**

India’s thermal coal imports are expected to fall for the first time this year since the COVID-19 pandemic due to increasing domestic output and record high inventories, industry officials said on Tuesday. Out of eleven coal traders Reuters spoke with at the Coaltrans India conference in the western state of Goa, eight expected shipments of the fuel to decrease this year, while the others foresaw flat imports or marginal growth. *(ThePrint)*

### **India’s Apr-Jan steel imports at six-year high as China shipments surge**

India’s steel imports touched a six-year high in the first 10 months of the fiscal year to March, led by Chinese shipments, and India was a net importer of finished steel, according to provisional government data seen by Reuters on Tuesday. The demand for steel was strong in India, the world’s second-biggest crude steel producer, as the country remained a bright spot globally with robust demand from its construction and automotive sectors. *(ThePrint)*

### **India considers export tax on low-grade iron ore, sources say**

India is considering an export tax on low-grade iron ore after small steel producers urged the government to curb its overseas sales, two sources directly involved in the matter said. China typically accounts for more than 90% of overall shipments of iron ore from India, which is the world’s fourth largest producer of the steel-making ingredient. *(ThePrint)*





## Agriculture and Rural Economy

### **How women-led FPOs are transforming India's agriculture**

Agriculture in India thrives on the dedication and hard work of women, who constitute approximately 75 per cent of the full-time farm workforce. However, despite their significant contributions to farming, women have been notably underrepresented in FPOs, perpetuating gender inequalities. ([BusinessLine](#))

### **Protect farmers, fishermen in developing nations: India at WTO**

India calls for a level playing field in agriculture, highlighting the disparity in subsidies provided by developed countries. They propose a 25-year moratorium on fishing subsidies beyond EEZs. They emphasize the importance of a permanent solution on public stockholding and advocate for common but differentiated responsibilities, Special and Differential Treatment, equity in fair trade, and protection of their sovereign rights. ([The Economic Times](#))

### **How 'NaMo Drone Didis' are pushing past their limitations & transforming India's rural landscapes**

The scheme, which Prime Minister Narendra Modi announced from the ramparts of the Red Fort during Independence Day last year and launched last November, is aimed at training and equipping 15,000 women-led Self-Help Groups (SHGs) with agricultural drones. The idea is to offer farmers assistance in agricultural operations, such as crop monitoring, spraying fertilizers, and sowing seeds, thus helping rural women achieve self-sufficiency while simultaneously making the sector less labour-intensive. ([ThePrint](#))

### **Revolutionizing Agriculture: Capsber Agriscience's Visionary Approach to Sustainable Farming**

Agriscience emerged on agritech landscape in 2022 in the heart of Bengaluru, Karnataka. It is one of the seven revenue-generating startups from the Krishi Mangal second edition cohort. Krishi Mangal is a scale-up accelerator program jointly launched by Cisco and Social Alpha aimed at providing support to startups in the agriculture and allied livelihood sectors. ([The Economic Times](#))

### **Farm output growth slows down in Q3**

The gross value added (GVA) growth of agriculture and allied sector declined 0.8% in the December quarter from 1.6% growth seen in the previous quarter, according to official data released on Thursday. ([Mint](#))

### **Empowering agriculture for sustainability: Vedanta Aluminium's 'Jeevika Samriddhi Project'**

Vedanta Aluminium's commitment to sustainable livelihoods takes root in the heart of Odisha's Jharsuguda district with the "Jeevika Samriddhi Project." This agriculture-focused initiative is scripting a compelling story of positive change among local farmers. ([Financial Express](#))



## Industry, Manufacturing, Services and Technology

### **New coal transport plan to reduce congestion, costs**

The government on Thursday announced a logistics plan aimed at transport of coal through network optimisation that focuses on enhancing first-mile connectivity and encouraging the rail-sea-rail route to bring down the congestion and cost of transport. The plan entails mechanised loading and evacuation of 90% of coal produced through first-mile connectivity by 2029-30. *(The Economic Times)*

### **Auto industry to invest \$7 bn in 5 years to deepen parts localisation**

Indian auto industry is set to invest up to \$7 billion, or about Rs 58,000 crore, by FY28 to deepen localisation of advanced components from electric motors to automatic transmissions to reduce imports and capitalise on multinationals' 'China Plus One' sourcing strategy. Automakers and their suppliers are likely to make this investment between FY24 and FY28, industry body Automotive Component Manufacturers Association (ACMA) said. *(The Economic Times)*

### **Cabinet approves India's first semiconductor fab by Tata Group and Taiwan's PSMC**

The Union Cabinet on Thursday, February 29, approved the country's first semiconductor fab to be made by the Tata Group in collaboration with Powerchip Taiwan. The semiconductor fab will come up in Dholera with a capacity of 50,000 wafers per month, said IT minister Ashwini Vaishnaw on February 29. *(Mint)*

### **India's retail market to touch \$2 trillion by 2033, says BCG**

India's retail market is poised for transformative growth, with projections indicating a leap to an impressive \$2 trillion within the next decade, up from \$820 billion in 2023, according to a report by the Boston Consulting Group (BCG) and the Retailers Association of India (RAI). *(Mint)*

### **DBS Bank sees CAD narrowing to 0.8% as service exports buoy**

While the Finance Ministry this week said it expects the current account deficit (CAD) to narrow to 1.3% of GDP this fiscal after the provisional merchandise trade deficit eased to a nine-month low of \$17.5 billion in January, DBS Bank economists went a step further and projected the year's CAD to come under 0.8%, citing strong services exports and declining goods import bills. *(The Hindu)*

### **Bengal starts offering closed, unused industry land for developing new industries**

The West Bengal government has started offering land parcels from unused land of existing industries and closed companies for developing new industries, commerce and industries minister Shashi Panja said on Thursday. *(BusinessLine)*

### **CMAI seeks industry status for retail sector**

The Clothing Manufacturers of India (CMAI) has urged the Centre to confer industry status to the retail sector and also simplify single brand retail FDI policy. These were among the recommendations put forth in a CEO roundtable held with Textile Ministry officials at the ongoing Bharat Tex 2024 conference and exhibition. *(BusinessLine)*

### **'The agarbatti industry is not as simple as it looks from outside'**

Mysore Deep Perfumery House (MDPH), known for its Zed Black brand of agarbattis, believes that its recent diversification into segments such as food and beverages, confectionery, and hygiene can help it achieve a turnover of ₹1,000 crore by fiscal 2027. In a chat with businessline, Ankit Agrawal, Partner and Director, MDPH, talks about the changes that are sweeping across the agarbatti industry and what the future holds for the company. Excerpts. *(BusinessLine)*

### **IOCL scraps first green hydrogen tender as industry body moves Delhi High Court**

Indian Oil Corporation (IOCL) has cancelled its first tender for manufacturing green hydrogen after an industry association dragged the state-run company to the Delhi High Court alleging conflict of interest. *(BusinessLine)*

### **Feb manufacturing PMI rises to 56.9 on increased production, new orders**

Owing to growth in factory production and sales, India's manufacturing sector grew at the fastest pace in five months, according to a private survey. India's HSBC India Manufacturing PMI came in at 56.9 in February, the fastest since October last year when it was 55.5. In January, it was 56.5. The manufacturing PMI has been above the 50-mark that separates growth from contraction for 32 months. *(Business Standard)*

### **Economy remains resilient, manufacturing regaining momentum: NCAER**

High frequency indicators reveal that the Indian economy remains resilient with Purchasing Manager's Index (PMI) for services accelerating and manufacturing regaining momentum, economic think tank National Council of Applied Economic Research (NCAER) said in report released on Wednesday. Further, NCAER said the composite PMI accelerated to 61.2 in January from 58.5 in December 2023. *(Business Standard)*.



## **News on Kerala**

### **Those who have chosen the option of higher PF pensions receive less amounts**

Those who had been given the option of higher EPF pensions reportedly received amounts 20-30 percent less than what they were expecting. The news came out the other day, when pension payment orders were issued to a few persons at different places, at the district-level adalats conducted by the employees provident fund organisation *(The Economic Times)*.

### **Paddy farmers' organization warn of protest, demand procurement price of Rs 31.35 per kg**

The Minimum Support Price (MSP) will be a hotly debated topic in Kerala in the run-up to the parliamentary elections, with farmers threatening to protest if the State Government continues to effect a cut in paddy procurement incentive. A steering committee meeting of 'Nel Karshaka Samrakshana Samiti', a major organization of paddy farmers, held at Mankombu here on Sunday, decided to go on a warpath if the Government fails to provide a procurement price of Rs 31.35 per kg. *(Onmanorama)*

### **Kerala desperately awaits for loan from centre as income-expense gap widens**

Amid the financial crisis, the fiscal deficit of Kerala has touched Rs 32,417 crore this financial year. Earlier, the government had announced in the previous budget that it

would avail loans worth Rs 39,706 crore during the financial year 2023-24. But the amount has already reached Rs 32,417 crore. *(Onmanorama)*

### **Human-animal conflict: Forest dept to implement smart fence system**

Amid escalating protests against wild animal attacks threatening lives and property in Kerala, the state forest department has decided to implement mitigation measures including development of a smart-fence system for elephants and tigers. The first smart-fence system will be erected at the Chethalayam range in Wayanad, said D Jayaprasad, Principal Chief Conservator of Forests and Chief Wildlife Warden (PCCF&CWW). *(Onmanorama)*

### **No end in sight to drug shortage at govt hospitals in Kerala**

Government hospitals in Kerala are reeling under a severe shortage of medicines. At Government Medical College, Thiruvananthapuram, less than 65 percent of the essential drugs and 25 percent of anti-cancer medicines are available. At General Hospital, Thiruvananthapuram, antibiotics and insulin syringes are in short supply. *(Onmanorama)*

### **Kerala Cabinet nod for setting up industrial parks on campuses**

The Cabinet on Wednesday decided to start industrial parks on higher educational campuses in the State. It approved the Campus Industrial Park Scheme – 2024 as part of the initiative to set up industrial parks in unutilised land on the campuses. The scheme is designed to address the shortage of land for setting up industrial ventures in the State *(The Hindu)*

### **Kerala treasury in overdraft, distribution of pension, salaries likely to be affected**

Uncertainty looms large over the distribution of salaries and pensions as the state continues to reel under acute financial crisis. 'Friday' is a crucial day when it comes to treasury transactions. The state treasury has been in overdraft since the last two weeks. With the RBI figures coming in today, it can be known whether Kerala will be able to overcome the overdraft situation or not. If it fails to do so, then all the transactions of the treasury will be put on hold including distribution of salaries and pensions *(Mathrubhumi English)*.

### **Acute power crisis awaits Kerala, consumption to hit new high**

Acute power crisis awaits Kerala in the summer season. To make things worse, the electricity board is reeling under a financial crisis making things even more complicated. If the trend continues, then restrictions will be imposed on the usage of electricity in the months of April and May. *(Mathrubhumi English)*.

GULATI INSTITUTE OF FINANCE AND TAXATION  
GIFT Campus, Chavadimukku,  
Sreekariyam, Thiruvananthapuram, Kerala - 695017  
Phone : 0471 2596970, 2596980, 2590880, 2593960  
Fax : 0471 2591490  
Email : giftkerala@gmail.com



An Autonomous Institution of Government of Kerala

**Disclaimer:** This compilation on important news items relating to Finance, Taxation and Indian economy by GIFT from various newspapers and e-resources aims at providing an update to our esteemed readers. GIFT does not guarantee the accuracy or validity of the information provided. It is not a commercial product and all the copyrights remain with those of the respective copyright holders. Images are sourced from the web.