



Public Finance

Budget may see higher allocation for repayment of G-Secs, oil bonds

The Union Budget for FY24 will see the beginning of the requirement for a higher amount towards repayment of government securities till FY32. Still, the expectation is that the gross borrowing might not see a very high increase and could be around ₹16 lakh crore as against an estimated ₹14.21 lakh crore during FY23. One reason for not very high borrowing is expected good tax collection (*BusinessLine*)

Budget in the time of fiscal stress

The Union Budget for 2023-24 will be presented against the backdrop of weak private investment sentiment, elevated levels of inflation measured in terms of CPI-Combined, challenging unemployment rate, weak export growth and high levels of current account deficit. Apart from these domestic shocks, there are threats from the global environment in terms of a projected recession in most parts of the world and higher inflation in most of the inflation-targeting economies. (*BusinessLine*)

Budget should take serious view on MSMEs

To achieve the goal of a \$5-trillion economy, focusing on the 63 million SMEs/MSMEs is a must. Ninety four per cent are small, 4.5 per cent are micro and only 1 per cent are in the medium sector. They contribute 30 per cent to the GDP and most importantly employ 110 million. The first challenge is to get the micro/small and medium MSMEs registered. On date 13.5 million units are registered in the Udyam portal. The Budget to provide mechanism for linking of urban database of street vendors and shops will enable faster registration and better targeting. (*BusinessLine*)

Budget must simplify capital gains tax regime

Budget is an economic exercise and must be seen from the larger macroeconomic perspective as well as adherence to fiscal discipline. Given the fiscal deficit of 6.5 per cent, there may be constraints on spending plans by the government. However, if the growth in gross tax revenue of 25-30 per cent is sustained, it could give some leverage on keeping the deficit under check. (*BusinessLine*)

Sitharaman spends her capital prudently

Finance Minister Nirmala Sitharaman's fifth consecutive budget is notable for its conservatism, commitment to fiscal prudence, emphasis on quality of expenditure and transparency. These have come to be the hallmark traits of the recent budgets put together by the team at North Block. Sitharaman's Budget for 2023-24 rests on seven Cs or Saptarishis, if you may- Conservatism, Consolidation, Control, Capex, Concessions, Corrections, and Co-operatives. (*BusinessLine*)

Budget 2023: A beautiful balance of capex, impetus for MSMEs, tax-breaks for middle-class: FM

Finance Minister Nirmala Sitharaman said on Wednesday that changes in personal income tax are aimed at nudging people towards the new regime, which is without exemptions. The Union Budget has proposed changes in the new tax regime by making net income up to ₹7 lakh free of tax and reducing the number of slabs. The budget also proposed giving the benefit of standard deduction under the new regime. These changes are being seen as the end of the incentive era for savings and investment by salaried individuals. *(BusinessLine)*

Leaning more on capex to drive growth

The fifth and final full Budget of this government before a crucial general election next year, leans more heavily on infrastructure spending focused capital expenditure (capex). The aim is to lift a post-pandemic domestic economy out of the woods and simultaneously crowd-in private capex. *(BusinessLine)*

Union Budget 2023 key announcements: Tax relief to capex thrust, here's what Nirmala Sitharaman proposed

Union Finance Minister Nirmala Sitharaman on Wednesday presented the Union Budget for FY 24 (2023-24) in Parliament. The government has lowered its growth estimates for the current fiscal year to 7% from earlier estimates of 8-8.5%. The estimates for the next fiscal year is 6-6.8%, according to the annual economic survey report tabled in parliament on Tuesday. *(The Economic Times)*

Modi government's Budget 2023 is one that affects all corners of India, here's how

Finance Minister Nirmala Sitharaman on Wednesday announced measures and policies aimed at transforming India's infrastructure, easing compliance and attempting inclusive development. The vision for Amrit Kaal includes opportunities for citizens with a focus on youth, growth and job creation and a strong, stable, macro-environment, FM Sitharaman said. *(The Economic Times)*

Budget 2023-24: Where is the govt spending more, and why?

Finance Minister Nirmala Sitharaman has pegged the total expenditure in Budget 2023-24 at Rs 45,03,097 crore, up from Rs 41,87,232 crore of the revised estimates for 2022-23. Budget estimates of expenditure for 2023-24 show an increase of Rs 3,15,865 crore over the revised estimates 2022-23. *(The Economic Times)*

Budget 2023: India can become skilling capital of the world, say experts

Finance Minister Nirmala Sitharaman on Wednesday announced the launch of phase 4 of the Pradhan Mantri Kaushal Vikas Yojana (PMKVY 4.0) to skill the youth within three years. "On-job training, industry partnership, and alignment of courses with needs of industry will be emphasised. The scheme will also cover new-age courses for Industry 4.0 like coding, AI, robotics, mechatronics, IOT, 3D printing, drones, and soft skills," she said, while presenting the budget. She also said 30 Skill India International Centres would be set up across states to train youth and make them ready to grab international opportunities. *(The Economic Times)*

Budget 2023: Result-based financing in offing for select schemes

The government could incentivise parents, children and teachers to participate in government programmes to help them achieve desired results as it plans to move to result-based financing (RBF) across select schemes. Under RBF, a participating individual

or institution is rewarded after agreed-upon results are achieved and verified. Some of the schemes across education and health sectors could be tested for RBF on a pilot basis before it is scaled up to better allocate scarce resources for competing development needs. *(The Economic Times)*



Taxation

Budget 2023: How much India stands to lose after income tax, indirect duty tweaks

Union Budget 2023: The Budget today proposed to make a new income tax regime the default option. Basic exemption limit from next fiscal year will go up to Rs 3 lakh from Rs 2.5 lakh now under the new income tax regime. Income tax slabs in the new tax regime have been changed as well. New cooperatives that commence manufacturing activity till March 2024 to attract a lower tax rate of 15%. *(The Economic Times)*

India raises tax on imported cars, motorbikes, including EVs

All vehicles with a landed cost of less than \$40,000 will be taxed at 70%, up from 60% earlier, a move analysts say could impact demand. The landed cost includes the vehicle's price tag plus insurance and freight costs. Import tax on all semi-knocked-down cars – where major parts are imported separately and the final vehicle is assembled in the country – will be raised to 35% from 30%. *(The Print)*

Budget 2023: Cigarettes to cost more as Budget proposes 16% hike in duty

Noting that the health care burden due to tobacco consumption in India is around 1.04 percent of GDP, pushing many into poverty, Arvind Mohan, Professor and Head, Department of Economics, University of Lucknow, had said a substantial increase in tax on these lethal items would close the gap. *(The Economic Times)*

Tamil Nadu will look for GST compensation period extension, industry-related measures

The Union Budget 2023-24, to be presented by Finance Minister Nirmala Sitharaman on Wednesday, would be keenly watched in Tamil Nadu for announcements on the extension of the GST compensation period, besides industry-related measures. At a pre-budget meeting chaired by Ms. Sitharaman in November, Tamil Nadu Finance Minister Palanivel Thiaga Rajan sought a slew of measures. The key among them was the extension of the Production Linked Incentive (PLI) Scheme for the leather and non-leather footwear sector and for Green hydrogen and electrolyzer manufacturers. *(The Hindu)*

Tax collection at source dampener for overseas tours, global stock purchases

Union Budget 2023 made unfavourable changes in taxation on several investment and insurance avenues. An unkind cut has come in the form of a new tax collection at source (TCS) proposal. *(The Hindu)*

Cess, surcharge help centre keep major chunk of taxes

The Union government is projected to share a little over 30 per cent of Central taxes with states during fiscal year 2023-24 (FY24), against the 15th Finance Commission's recommendation of 41 percent. The 14th Finance Commission had recommended the devolution of 42 per cent of Central taxes to states, but after Jammu and Kashmir was carved out into two Union Territories, the final report of the 15th Finance Commission recommended the transfer of 41 per cent. *(Business Standard)*

Budget 2023: Gaming industry welcomes TDS change, awaits clarity on GST

In the Budget 2023, Finance Minister Nirmala Sitharaman announced a 30 per cent tax on the "net winnings" from online games. Clarifying the taxation policy further, she announced the removal of the minimum threshold limit of Rs 10,000 for calculating the tax deducted at source (TDS). The 30 per cent tax will have to be paid at the time of withdrawal of the winnings or at the end of the financial year. Also, TDS will be applicable on winnings, and the ultimate responsibility of the tax will be borne by the person responsible for paying the winnings. *(Business Standard)*

Budget 2023: Riding on robust collections, govt realistic on tax target

The government has kept the revenue target "realistic" for financial year 2023-24 (FY24) in sync with nominal gross domestic product (GDP) growth of 10.5 per cent. The Budget pegs tax revenue at Rs 33.6 trillion, which is 10.4 percent higher than the Rs 30.4 trillion projected in the Revised Estimates for the current financial year (FY23). The government had earlier projected a conservative target of Rs 27.5 trillion for FY23. *(Business Standard)*



National Accounts and State of the Economy

India's economic growth likely to slow to 6-6.8% in next fiscal year, says Economic Survey

India's economy is likely to grow at 6-6.8% in the next fiscal year starting April 1 depending on the trajectory of economic and political developments globally, according to the Economic Survey 2022-2023. The annual survey was tabled in the parliament today by Finance Minister Nirmala Sitharaman. *(The Economic Times)*

Budget 2023: India needs to dial up its regulators

As the annual budget announcement draws near, it is a good time to look towards India's future. For India to showcase its standard of economic governance, regulatory authorities will need to become world class. To achieve that, regulatory bodies should be truly independent and work efficiently. *(The Economic Times)*

Govt plans increasing cash payout to farmers under PM-KISAN to ₹8,000

The Centre is considering hiking the quantum of cash given to farmers under PM-KISAN, an income-support scheme from ₹6,000 to about ₹8,000 annually, in a bid to boost rural demand and consumption. *(Mint)*

Budget 2023: A focus on growth and transition path to a \$7-trillion economy

The budget grasped the opportunity to consolidate India's macroeconomic fundamentals. Even as developed economies slow down in 2023, India is likely to remain a bright spot, with falling inflation and robust growth. The prudence demonstrated over the past couple of years by the budgets - in conjunction with a finely tuned monetary policy - has helped India's economy emerge relatively unscathed despite a series of public health and economic shocks. *(The Economic Times)*

India to see challenges in meeting fiscal glide path - Fitch analyst

India's outlined fiscal deficit target of 4.5% of GDP for 2025-26 will be challenging to achieve, an analyst at Fitch Ratings said on Wednesday, adding that the country's sovereign rating continues to remain stable. *(The Economic Times)*

India's jobless rate declined to four-month low of 7.14% in January- CMIE

India's unemployment rate fell to 7.14% in January, the lowest in four months, from 8.30% in the previous month, data from the Centre for Monitoring Indian Economy (CMIE) showed on Wednesday. *(The Economic Times)*

Provided free foodgrains to 80 crore poor people; no one went hungry during pandemic, asserts FM Sitharaman

During her Budget speech on Wednesday, Finance Minister Nirmala Sitharaman said that the government ensured that no one went hungry during the pandemic by providing free foodgrains to 80 crore poor people. In times of global challenges, the G-20 presidency gives an opportunity to strengthen India's role in the global order. *(The Economic Times)*

Economic Survey 2023: Recovery is complete, over to the next phase

Recovery of the economy is complete. Non Banking and corporate sectors now have healthy balance sheets. Hence, we don't have to speak of pandemic recovery anymore. We have to look ahead to the next phase. In order to make sure that we fully accommodate the downside risks, the band (for growth forecast) has been kept at 6.0-6.8% and the baseline number at 6.5%. *(The Economic Times)*

Retail inflation for industrial workers rises marginally to 5.5% in December

Retail inflation for industrial workers rose marginally to 5.5 per cent in December 2022 from 5.41 per cent in November due to higher prices of certain food items. "Year-on-year inflation for the month stood at 5.50 per cent compared to 5.41 per cent for the previous month (November 2022) and 5.56 per cent during the corresponding month (December 2021) a year before. *(The Economic Times)*

India's core sector output rises by 7.4 per cent in December

India's core sector grew 7.4% year on year in December, against 3.8% in December 2021 and 5.7% in November 2023, as output in seven of the eight components of the infrastructure sectors rose. *(The Economic Times)*

Physical, digital infrastructure synergy to be defining feature of India's future growth story: Eco Survey

The synergy between physical and digital infrastructure will be a defining feature of India's future growth, the Economic Survey 2022-23 Tuesday said, noting that the "powerful" story scripted by the country's expanding digital public infrastructure has won global acclaim. *(The Economic Times)*

India's economy poised to do better, inflation to be well-behaved in FY24, says CEA Nageswaran

Chief Economic Advisor (CEA) V Anantha Nageswaran on Tuesday said that the Indian economy is poised to do better and is expected to grow 6.5-7 per cent in the remainder of the decade. While talking about inflation in a press conference, he said that it is likely to be "well behaved" in FY 2023-24 barring headwinds. *(The Economic Times)*

Global economic factors, recessionary fears in advanced economies led to FPI sell-off: Economic Survey

Global economic factors such as inflationary pressures, monetary tightening by central banks, and recessionary fears in advanced economies exerted pressure on FPIs to sell in Indian markets, Economic Survey 2022-23 said on Tuesday. In addition, investors were sitting on gains from Indian stocks that could be realised to offset losses elsewhere, the survey noted. *(The Economic Times)*

Expecting slowdown in Indian economy to 6.1% in 2023 from 6.8% in 2022, says IMF

The International Monetary Fund (IMF) has retained India's FY23 growth forecast at 6.8%, terming the country a bright spot and major engine of growth amid an expected fall in global growth to 2.9% in 2023 from an estimated 3.4% in 2022. *(The Economic Times)*

Inflation in India expected to come down to 5 pc in 2023 and 4 pc in 2024: IMF

Inflation in India is expected to come down from 6.8 percent in the current fiscal year ending March 31 to 5 percent the next fiscal, and then drop further to 4 percent in 2024, the International Monetary Fund (IMF) said on Tuesday. *(The Economic Times)*

Inflation at 6.8 pc not too high to deter private consumption, or weaken inducement to invest: Economic Survey

The Reserve Bank of India's (RBI) projection of 6.8 percent inflation for FY23 was outside the upper target limit of 6 per cent, according to the Economic Survey 2023. The report stated that the number is neither high enough to deter private consumption, nor too low to weaken inducement to invest. *(The Economic Times)*

Self Help Groups can help in widening women's labour force participation: Economic Survey 2022-23

With 75% of women workers in rural India employed in agriculture, there was a need to upskill and create employment for them in related sectors like food processing, and Self Help Groups (SHG) can play a pivotal role in this, the Economic Survey 2023 has said. *(The Hindu)*

Budget 2023-24: Railways gets record Rs 2.6-trillion capex boost

Indian Railways is set to see a record capital expenditure (capex) of Rs 2.6 trillion in fiscal year 2023-24 (FY24). This announcement in the Budget on February 1 would give a push to the massive infrastructure expansion lined up and the government's share would contribute around Rs 2.4 trillion to this — the highest ever. *(Business Standard)*

Economy on stronger wicket than pre-COVID times, to grow 6.5% in 2023-24

Painting an exuberant picture of the Indian economy's prospects thanks to "New Age" reforms undertaken since 2014, the Economic Survey tabled by Finance Minister Nirmala Sitharaman in Parliament on Tuesday asserted that not only are the pandemic-induced blues over, but the outlook for the years ahead is also rosier than in the pre-COVID years. *(The Hindu)*

India on cusp of returning to high growth trajectory, will become world's third largest economy by 2027-28: Arvind Panagariya

Eminent economist Arvind Panagariya has said India is on the cusp of returning to a high growth trajectory and voiced confidence that the country will become the world's third-largest economy by 2027-28. Currently, India is the fifth largest economy "so it's another

five years. We are already in (the year) 2023. So 2027-28, India should be the third-largest economy," Mr. Panagariya, Columbia University Professor and former vice-chairman of NITI Aayog. *(The Hindu)*

Budget 2023: Nirmala Sitharaman says FY23 growth seen at 7%

Finance Minister Nirmala Sitharaman said the Budget for 2023-24 hopes to build on the foundation of the previous budget and blueprint for India@100. "The world has recognized India as a bright star, our growth for current year is estimated at 7.0%, this is the highest among all major economies, in spite of massive global slowdown caused by pandemic and the war," she said while presenting Budget 2023. *(Mint)*

Inflation to be 'well-behaved' in FY24: CEA Nageswaran

Chief Economic Advisor (CEA) Dr V Anantha Nageswaran said that the India Monetary Fund (IMF) in its World Economic Outlook Update, has maintained India's GDP forecast for current Fiscal Year at 6.8 percent, the next Fiscal Year at 6.1 per cent and for 2024-25 at 6.8 per cent. India's economy is poised to do better in remainder of this decade, said CEA Nageswaran. *(Mint)*



Banking and Monetary Policy

Bank credit growth rises to 16.5% to Rs 132.81 trillion in Jan 13 fortnight

After a slight moderation in growth in the previous fortnight, bank credit growth picked up in the fortnight ended January 13, 2023, with 16.5 per cent YoY growth to Rs 132.81 trillion, latest data released by Reserve Bank of India (RBI) showed. Having said that, in the first fortnight of the calendar year, credit growth contracted 0.2 per cent. *(Business Standard)*

State Bank of India plans to raise \$500 million via green bonds

The country's largest lender — State Bank of India (SBI) — is planning to raise around \$500 million through green bonds to provide sustainable project finance. This plan coincides with about Rs 8,000 crore (close \$1 billion) raised by the Government of India through maiden sovereign green bonds. Also early this month, Export Import Bank of India, a 100 per cent government-owned financial institution, mobilised \$1 billion via a 10-year sustainability bond offering. It was the first Indian issuer to open the markets for dollar and sustainability bond issuances in 2023. *(Business Standard)*

Rising demand. Bank credit growth to sustain and usher in virtuous investment cycle: Survey

Bank credit growth, which has been growing in double-digits since April 2022, is expected to sustain, and combined with a pick-up in private capital expenditure (capex), will usher in a virtuous investment cycle, according to the latest Economic Survey. The credit upcycle will also be aided by constant monitoring of the risks in the financial system by the regulators and their efforts to contain them. *(BusinessLine)*

Govt proposes changes in Banking Regulation Act, other laws to enhance investors' protection

To improve bank governance and enhance investors' protection, Finance Minister Nirmala Sitharaman on Wednesday proposed certain amendments to the Banking Regulation Act, the Banking Companies Act and the Reserve Bank of India Act. In her Budget speech, the finance minister said reforms in the financial sector and innovative use of technology have led to financial inclusion at scale, better and faster service delivery, ease of access to credit and participation in financial markets. *(The Economic Times)*

47.8 cr Jan Dhan accounts opened, says FM Sitharaman

As many as 47.8 crore Jan Dhan accounts have been opened so far, a scheme which was launched in 2014 as a national mission for financial inclusion. Finance Minister Nirmala Sitharaman on Wednesday said the National Rural Livelihood Mission has achieved remarkable success by mobilising rural women into 1 lakh SHGs (self help groups). She said that 47.8 crore Jan Dhan accounts have been opened. The Jan Dhan Yojana was announced by Prime Minister Narendra Modi in this Independence Day. *(The Economic Times)*

Banks seek review of SC order tagging statutory creditors as 'Secured' ones

Lenders including State Bank of India and Indian Overseas Bank on Thursday moved the Supreme Court, seeking a review of its judgement that statutory creditors like tax authorities would be considered as secured creditors. In its September 6 order, the top court ruled that any insolvency resolution plan, approved by the financial creditors by ignoring the statutory demands payable to state and Central governments or other legal authorities, was liable to be rejected. *(The Economic Times)*



External Sector

India's current account deficit needs to be closely monitored, Eco Survey says

The Economic Survey on Tuesday said that India's current account deficit needs to be closely monitored. It also says that the widening of CAD may continue as long as prices remain elevated, however, the country's economy remains strong. The report further says that if CAD widens further, the Indian Rupee may come under depreciation pressure. *(The Economic Times)*

Forex reserves rise by \$1.727 billion to \$573.727 billion

India's forex reserves increased by \$1.727 billion to \$573.727 billion in the week ended January 20, the Reserve Bank of India said on January 27, 2023. This is the second consecutive week of a rise in the kitty after the \$10.417 billion jump to \$572 billion during the preceding week. *(The Hindu)*

RBI governor says current account deficit manageable

India's current account deficit is "eminently manageable" and within the parameters of viability, India's central bank governor Shaktikanta Das said at an event. India's average current account deficit stood at 3.3% of GDP for the first six months of 2022-23. The net balance under services and remittances remains in a large surplus, partly offsetting the

trade deficit, Mr. Das said at a conference in Dubai, according to a copy of the speech released by the central bank. *(The Hindu)*

IMF lifts 2023 global growth forecast; says recession risk lower

The outlook for the global economy is growing slightly brighter as China eases its zero-COVID policies and the world shows surprising resilience in the face of high inflation, elevated interest rates and Russia's ongoing war against Ukraine. That's the view of the International Monetary Fund (IMF), which now expects the world economy to grow 2.9% this year. That forecast is better than the 2.7% expansion for 2023 that the IMF predicted in October, though down from the estimated 3.4% growth in 2022. *(The Hindu)*

G-20 to focus on foundational literacy, tech-based learning

There was unanimity amongst the members of the G20 National to collectively work on the four priority sectors: foundational literacy and numeracy; technology-enabled learning; skills and the future of work; and research and collaboration. *(BusinessLine)*

Need to closely monitor CAD: Economic Survey

The Economic Survey 2022-23 underlined the need for close monitoring of the current account deficit which may continue to widen because of elevated global commodity prices. The country's current account deficit widened sequentially to 4.4 per cent of the GDP in the quarter ending September, from 2.2 per cent of the GDP during the April-June period due to a higher trade gap, according to the latest Reserve Bank data. *(BusinessLine)*

Inclusive, resilient growth focus of India's G20 priorities: S Jaishankar

India's priorities for its G20 Presidency are to ensure inclusive and resilient growth with a focus on challenges being faced by the countries of the Global South, External Affairs Minister S Jaishankar said. *(Business Standard)*

Finance Minister Nirmala Sitharaman announces rejig in customs duty

With promotion of exports and enhancement of domestic manufacturing in focus, Finance Minister Nirmala Sitharaman on Wednesday announced a rejig in custom duties on various commodities and products. *(The Economic Times)*

Budget proposals to help boost India's exports: Piyush Goyal

A number of measures such as tweaks in customs duties on certain products announced in the Union Budget for 2023-24 will help boost the country's exports, Commerce and Industry Minister Piyush Goyal said. He said that despite global economic uncertainties, India's goods and services exports together are registering nearly 14-15 per cent growth. *(The Economic Times)*

FPIs pull out over ₹17,020 cr from equities in Jan so far

Foreign portfolio investors (FPIs) stayed as net sellers throughout the current week with January 27 witnessing the most selloff in the current month. On the same day, FPIs pulled out more than ₹5,970 crore from equities on the back of a broader bearish tone that was triggered due to the Adani crisis. *(Mint)*



Agriculture and Rural Economy

Overall area of rabi crops up 3% as sowing nears completion

The area under all rabi crops has increased by 3 per cent from a year ago as sowing has nearly been completed except in paddy where another 30 lakh hectares (lh) are likely to be covered over the next two months. This might take the total area under rabi crops to over 730 lh. *(BusinessLine)*

Centre fixes rice price at ₹34/kg for States, ₹24.73 for auction

A day after announcing the decision to offload 3 million tonnes (mt) wheat in the open market, the Centre has issued detail guidelines on the open market sale scheme (OMSS) for both rice and wheat. *(BusinessLine)*

Bengal paddy procurement tardy as open market prices rise

Paddy procurement in West Bengal, which has rather been laggard so far this season, might witness a further slowdown as prices in the open market are almost at par with the minimum support price (MSP) offered by the State government under its procurement programme. This is encouraging farmers to sell their produce in the open market. *(BusinessLine)*

India's duty-free imports may prompt Myanmar, E Africa to expand tur acreage this year

India's open import policy sans any curbs is expected to encourage growers of pulses such as tur (arhar or pigeon pea) and urad (black matpe) in major producing countries such as Myanmar and East Africa to plant more in the upcoming planting seasons, trade experts said. *(BusinessLine)*

Turmeric prices crash in Maharashtra on quality, fears of high output

Turmeric prices have crashed to around ₹5,000 a quintal in parts of Maharashtra in view of inferior quality of arrivals and fears of a higher crop. Prices in the other parts of the country are ruling lower than the year-ago period as inventories with users and stockists are high, traders said. *(BusinessLine)*

Agri budget: Farmers in some states to benefit from millet focus, rice & wheat farmers disappointed

Small and marginal farmers in Maharashtra, Rajasthan, Tamil Nadu, Andhra Pradesh and Karnataka are expected to benefit from the finance minister's proposal to popularise millets, but those from states like Punjab where rice and wheat are the main crops said they did not see much for them in the union budget. *(The Economic Times)*

Seed industry concerns not addressed in Budget: FSII

Concerns of the seed industry have not been addressed in the Budget but it has many other positive announcements for agriculture in general, Federation of Seed Industry of India (FSII) Director General Ram Kaundinya said on Thursday. *(The Economic Times)*

Sugar production up 3.42 pc at 193.5 lakh tonnes in Oct-Jan of 2022-23: ISMA

The country's sugar production rose 3.42 per cent to 193.5 lakh tonnes in the first four months of the ongoing marketing year ending September, on rise in output in key producing states, industry body ISMA said on Thursday. Sugar production stood at 187.1 lakh tonnes during October-January period of the previous marketing year. *(The Economic Times)*

Budget 2023 gives Rs 968cr digitisation boost to connect, drive agriculture cooperatives

The government proposes to spend ₹1,150.38 crore on the cooperatives sector in FY24, with ₹968 crore earmarked for computerisation of some 63,000 primary cooperative agriculture societies (PCAS). The total cost for computerisation of PCAS is estimated at ₹2,516 crore. The scheme aims to computerise PCAS, leading to an increase in its efficiency, profitability, transparency and accountability. *(The Economic Times)*

Agriculture gets credit boost, fund for startups in Union Budget 2023-24

The budget is expected to provide a boost across the agriculture value chain, with announcements ranging from increased credit for the sector, investment in fisheries and focus on high-value horticulture crops to setting up of a dedicated fund for agri startups and building of digital public infrastructure. *(The Economic Times)*

Small farmers to benefit from this Budget 2023: Agriculture Minister

Small farmers across the country will benefit from the Budget 2023-24 in which emphasis has been laid on promoting modern farm technologies, Agriculture Minister Narendra Singh Tomar said on Wednesday. Tomar said the overall budgetary allocation for his ministry has been increased to an estimated Rs 1.25 lakh crore for the 2023-24 financial year, which includes Rs 60,000 crore for the government's ambitious scheme PM-KISAN. *(The Economic Times)*

Agri budget: Major boost to rural economy through enhanced farm income

In a major boost to the rural economy through enhanced farm income, the government will set up a large number of multipurpose cooperative societies, primary fishery societies and dairy cooperative societies in uncovered panchayats and villages in the next five years. *(The Economic Times)*

PM-PRANAM will be launched to incentivise states to promote alternative fertilisers: FM

Finance minister Nirmala Sitharaman on Wednesday announced that Pradhan Mantri-Promotion of Alternate Nutrients for Agriculture Management Yojana (PM-PRANAM) will be launched to incentivise states to promote alternative fertilisers. The move would help to encourage states to reduce use of fertilisers. *(The Economic Times)*



Industry, Manufacturing, Services and Technology

Active mobile users dropped 4.5 million in November, trend to continue: Analysts

The telecom industry saw a 4.5 million fall in active users in November 2022, the highest in the last seven months, as consumers moved to single SIMs and feature phone to

smartphone conversion continued to slow down, leaving Indian telcos struggling to stem customer churn. Triggered by inflationary pressures, SIM consolidation and slow down in feature phone upgrades are expected to continue for a couple more quarters, analysts added. Market leader Reliance Jio lost the most number of active subscribers, a development which analysts said could delay headline tariff hikes in the industry. (*The Economic Times*)

India's EV dawn fans expectations fuel demand may peak early

India, one of the world's fastest growing oil markets, has lagged major economic peers in Europe and Asia in the adoption of EVs but sales are now picking up and investment in the production of new autos and energy infrastructure is accelerating. The faster-than-anticipated industry growth means India's gasoline consumption will peak sooner than previously thought, some analysts and industry participants say, forcing top oil firms to expedite transition plans to alternative business lines, notably increased petrochemical manufacturing. (*Mint*)

India Inc looks to plug into EV-charging infrastructure at work

India Inc is slowly playing a part in improving electric vehicle (EV) adoption by providing EV-charging infrastructure at work, offering such vehicles as car lease options, or converting their own fleet into EVs. Firms offering such vehicles as car lease options, converting their fleet into EVs. (*Business Standard*)

WB govt to set up a 200-acre textile park in its Paschim Bardhaman district

The government of West Bengal is planning to set up a 200-acre textile park, as per a report by the Press Trust of India (PTI) that cited a senior official. The state is currently in the process of identifying the land to establish the textile park in Paschim Medinipur district's Salboni, at Durgapur and Asansol in Paschim Bardhaman district of the state, it added. "The identification process for the land to set up the proposed Textile Park is underway. (*Financial Express*)

Electronics export from India to cross Rs 1.28 lakh crore next fiscal: MoS IT Rajeev Chandrasekhar

Electronics export from India is expected to cross Rs 1.28 lakh crore in the next financial year, Minister of State for Electronics and IT Rajeev Chandrasekhar has said. The minister, in an interview with PTI, said the government is now going to broaden and widen the electronics manufacturing ecosystem with a new production-linked incentive scheme for hearable-wearable, IT hardware and component makers. "Electronics manufacturing as a whole, we see next year that we will at least do exports worth Rs 1.28 lakh crore. I have already said that we will see mobile phone exports reaching Rs 1 lakh crore in 2023-24," Chandrasekhar said. (*Financial Express*)

Defence ministry top buyer of MSME goods in 2022: GeM

The Ministry of Defence was the top procuring ministry of goods and services from MSME sellers in the calendar year 2022, said the government's public procurement e-commerce marketplace Government eMarketplace (GeM). Financial year-wise, the defence ministry had procured Rs 15,047.98 crore worth of goods and services from MSMEs in FY22, up 250 per cent from the previous year, FE Aspire had reported last year. (*Financial Express*)

Core sectors grew 7.4% in December; fastest pace in 3 months

India's eight core sectors' output growth hit a three-month high of 7.4% in December, from a revised uptick of 5.7% in November, with all sectors except crude oil reporting a rise. Overall, the eight core sectors have now registered an 8% growth in the first nine months of 2022-23, compared to 12.6% in the same period of 2021-22. Coal, cement, electricity and fertilisers have registered double digit or close to 10% growth through the year, while crude oil output is down 1.3%. *(The Hindu)*

Credit flow to MSMEs increases: Survey

Credit flow to Micro, Small and Medium-scale Enterprises (MSMEs) has seen a significant increase, assisted in part by the introduction of the Emergency Credit Linked Guarantee Scheme (ECLGS), according to the Economic Survey. Data from the National Credit Guarantee Trustee Company (NCGTC) shows that as of November 10, 2022, 1.2 crore MSME units availed the ECLGS scheme and raised collateral-free resources for ₹3.6 lakh crore. *(The Hindu)*

EV sales to touch 1 crore units by 2030: Economic Survey

The domestic electric vehicles (EV) market is expected to touch one crore units in annual sales by 2030 and would create 5 crore direct and indirect jobs, according to the Economic Survey 2022-23. The Survey tabled in the Parliament on Tuesday said that EV market was expected to grow at a compound annual growth rate (CAGR) of 49% between 2022 and 2030 and is likely to hit one crore units annual sales by 2030. *(The Hindu)*

Economic Survey 2023: Domestic IT-BPM industry to grow at 10 per cent

The domestic information technology-business process management (IT-BPM) industry is estimated to grow at 10 per cent on account of enterprise digital acceleration and transformation, the Economic Survey 2023 said on Tuesday. The industry recorded nearly 10 per cent estimated growth in direct employee pool in FY2021-22 with a highest-ever net addition to its employee base, it said. *(BusinessLine)*

Economic Survey pitches for a domestic industrialisation policy as India eyes key role in global value chain

At a time when India is keen to play a bigger role in the global value chain, the Economic Survey 2022-23 has pitched for a dedicated government policy to support domestic industrialisation. It added that India has a unique opportunity to become a global manufacturing hub "this decade" by leveraging on significant domestic demand, government's Make-In-India focus and country's large proportion of young workforce. *(BusinessLine)*

White goods, retail, FMCG sectors betting on consumption boost

Consumer products, FMCG and retail industry expect measures such as income tax slab revisions to boost consumption, enabling them to garner a bigger share of consumer wallets. The FMCG sector, which has been battling challenges of muted rural demand, is also hoping to witness an uptick in demand from the lower middle income and rural households. *(BusinessLine)*

A big digital push in Union Budget 2023-24

In a move that bodes well for India's tech ecosystem, the Centre is focusing on enhancing India's digital infrastructure in the coming financial year. The Finance Minister Nirmala Sitharaman introduced a slew of initiatives to bolster digital infrastructure in the domains of agriculture, finance and education. The Indian tech industry welcomed these proposals

as they open many opportunities for Indian IT giants, MSMEs and startups in the tech space. *(BusinessLine)*

Infra spend to boost steel, cement demand

The government's decision to raise the capital expenditure by 33 per cent to ₹10-lakh crore in the next fiscal year will boost steel and cement consumption and help the high-capex sector. The government's capital expenditure would be 3.3 per cent of GDP and almost three times the outlay in 2019-20. *(BusinessLine)*

Imported vehicles, EVs to cost more with higher customs duties

Electric vehicles (EVs) and imported vehicles will now become dearer as Budget 2023-24 has increased the rate of customs duties. However, to promote Aatmanirbharta, the government has proposed nil customs duty on specified capital goods/ machinery for manufacture of lithium-ion cell for use in battery of electrically operated vehicle (EVs) till March 31, 2024. It was applicable earlier. Finance Minister says customs duty hike aims to boost domestic manufacturing of automobiles. *(BusinessLine)*



News on Kerala

Researchers offer tips to save Kerala's sinking island

A study conducted by the National Centre for Earth Science Studies (NCESS) has revealed anthropogenic interventions as the main reason for the plight of Munroe Thuruthu residents, Kerala's first set of climate refugees. *(The Hindu)*

Kerala is in toxic debt and acute financial crisis: UDF white paper

A white paper on State finances published by the Opposition United Democratic Front on Saturday blames the Left Democratic Front government for plunging Kerala into a severe financial crisis and "toxic debt" through mismanagement, unbridled spending, and shoddy tax collection. *(The Hindu)*

Nothing in Union Budget to solve economic disparities in country: Kerala CM

Kerala Chief Minister Pinarayi Vijayan on Wednesday said the Union Budget 2023-24 does not attempt to solve the growing economic disparities in the country. Vijayan, reacting to the budget presented by Union Finance Minister Nirmala Sitharaman in the Parliament, said that it only further strengthens the concentration of wealth among corporates. *(Business Standard)*

State recovered strongly, clocked 12.01% growth in 2021-22: Economic Review

The State economy posted a "strong recovery" in 2021-22 with the Gross State Domestic product (GSDP) clocking a 12.01% growth at constant prices, the Economic Review 2022 published on Thursday said. The growth rate was up from -8.43% recorded during the pandemic-plagued 2020-21. The 2021-22 growth is the highest recorded since 2012-13, according to the document tabled in the State Assembly by Finance Minister K.N. Balagopal ahead of Friday's Budget presentation. *(The Hindu)*

Kerala FM Balagopal uses budget presentation to criticise Centre's alleged infringements on fiscal federalism

Finance Minister K.N. Balagopal used his budget presentation in the Kerala Legislative Assembly for 2023-24 fiscal to essay a critique of the Centre's "conservative financial policies". He said the centrist policies ran against the grain of fiscal federalism enshrined in the Constitution and squeezed the budgetary space of States to muster resources for infrastructure development. *(The Hindu)*

Kerala Budget announces tax hikes, social security cess on fuel and liquor

Finance Minister K.N. Balagopal on Friday announced a string of tax increases and new cesses aimed at mopping up additional revenue in his Budget for the 2023-24 fiscal, even as the measures drew sharp criticism for burdening taxpayers at one fell swoop. The Budget also earmarked ₹2000 crore for tackling inflation and ₹100 crore for a 'Make in Kerala' programme intended to promote local industry and self-reliance. *(The Hindu)*

Growth rate to keep ticking, GSDP projected to grow at 11.23% in 2023-24

Better revenue collection and the post-COVID-19 economic recovery are expected to keep the growth rate ticking for Kerala in 2023-24 and beyond. The State's Gross State Domestic product (GSDP) growth is projected at 11.23% in 2023-24 in nominal terms, according to the 'Medium term fiscal policy and strategy statement with medium term fiscal plan for Kerala' for the 2023-24 to 2025-26 period tabled in the Assembly on Friday. *(The Hindu)*

Local bodies to get more development fund in Kerala Budget

The demand of local administrators to have a considerable increase in their development fund has resonated with the State government with the Budget earmarking ₹8,258 crore. It has been enhanced to 27.19% of the State's total Plan outlay. *(The Hindu)*

Tax, cess hike in Kerala Budget will hit State: FICCI

The Federation of Indian Chambers of Commerce and Industry (FICCI) Kerala State council has termed the Budget a mixed bag. While hailing the focus on key sectors of the economy, it felt the proposed increase in taxes and cess could adversely affect the State. *(The Hindu)*

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