



Public Finance

Centre laments non-utilisation of fund by state animal husbandry departments; urges states to spend

The Centre on Saturday rued that animal husbandry departments in state governments are not fully utilising central funds for development of this sector and urged them to spend money to implement projects. Addressing an event to mark the 'World Veterinary Day', Union Minister of Fisheries, Animal Husbandry and Dairying Parshottam Rupala stressed on registration of birth and death of livestock for having a real time data. (*The Economic Times*)

FM Nirmala Sitharaman asks ADB to support India with more concessional climate finance

Finance minister Nirmala Sitharaman on Tuesday impressed upon Asian Development Bank (ADB) to support India with more concessional climate finance, stating that the country's economic and developmental progress can have a huge positive impact regionally and globally. (*The Economic Times*)

Centre confident of meeting FY23 fiscal gap target of 6.4%

The Centre is expected to achieve the FY23 fiscal deficit target of 6.4% of gross domestic product (GDP) despite a downward revision in national income from the budgeted levels, said a person aware of the details. The actual FY23 fiscal deficit, in absolute terms, will likely be slightly lower than the revised estimate (RE) of ₹17.55 lakh crore, he said. (*The Economic Times*)

MoF Sees G-sec Yields on Downhill Trek

The finance ministry expects the yield on government securities — which dropped below the 7% mark for the 10-year paper in intraday trade on Thursday for the first time in about 13 months — to moderate further over the course of this fiscal year, a senior official said. (*The Economic Times*)

States used Rs 82K cr of Rs 1 trillion capex support allotted in FY23

Of the Rs 1 trillion that the Centre provided in long-term loans to states for capital expenditure in the previous fiscal year (2022-23), the latter have availed of Rs 82,000 crore, leaving Rs 18,000 crore unutilised, *Business Standard* has learnt. (*Business Standard*)



EU carbon tax to test India's mettle

Starting January 2026, the Indian steel, cement, aluminium, and fertiliser industries will pay a steep Carbon Border Tax (CBT) imposed by the European Union (EU). The US, Canada, and other nations are also exploring similar mechanisms. Indian industry must understand the diverse impact of the tax and prepare trade and low carbon production strategies to promote exports. *(BusinessLine)*

Modi government eyes higher capital gains tax for rich to curb inequality

India's reliance on indirect taxes — levies on consumption — rather than direct taxes on capital is often cited by economists as the main culprit behind the country's poor getting left behind even as the nation minted 70 new millionaires each day between 2018 and 2022. Oxfam International estimates the top 10% of India's population holds 77% of national wealth and government data show about 6% pay income tax. *(The Economic Times)*

Centre slashes windfall tax on crude oil to Rs 4,100 per tonne

The export duty exemption for petrol, diesel and aviation turbine fuel will continue. The duty will be effective May 2, according to a notification issued by the Central Board of Indirect Taxes and Customs. *(The Economic Times)*

Indirect tax kitty grew 7.2% to ₹13.82 lakh crore in 2022-23

India's indirect tax collections rose 7.21% in 2022-23 to ₹13.82 lakh crore from ₹12.89 lakh crore in the previous year, according to data from the Central Board of Indirect Taxes and Customs (CBIC) shared on Saturday. *(The Hindu)*



National Accounts and State of the Economy

Economy to Grow at 6.5% in FY24: Niti's Virmani

The Indian economy will grow at around 6.5% in the current fiscal, notwithstanding high oil prices and increased geopolitical tensions, NITI Aayog member Arvind Virmani has said. *(The Economic Times)*

CSO, NSSO Demerger Likely

Four years after merging the two entities into an overarching National Statistical Office (NSO) to "strengthen" and "streamline" the processes and bring in "more synergy", the ministry of statistics and programme implementation (MoSPI) is reconsidering its decision. *(The Economic Times)*

Govt extends deadline for filing applications for pension on higher wages to June 26

The labour ministry, on Tuesday, extended the date for filing applications for pension on higher wages till June 26, 2023 to provide a larger window of opportunity to all eligible persons to file their applications. The initial deadline of March 3 was extended till May 3.

Following the Supreme Court order dated November 4, 2022, the Employees' Provident Fund Organisation allowed members of the Employees' Pension Scheme to file an online application for validation of option to avail pension on higher wages (*The Economic Times*)

Centre Weighs Methods to Quantify Household Chores Done by Women
India has begun an exercise to look at various methodologies to quantify the contribution of household chores performed by women to the country's gross domestic product (GDP). (*The Economic Times*)

Will Meet 20% Ethanol-blended Petrol Target by 2025: Goyal

Food and consumer affairs minister Piyush Goyal on Tuesday expressed confidence that the country will achieve the target of 20% blending of ethanol with petrol by 2025 and asserted that maize crop will play an important role in implementation of this programme. (*The Economic Times*)

Unemployment Rate Up to 8.11% in April

India's unemployment rate went up to 8.11% April from 7.8% in March owing to a significant increase in the labour participation rate (LPR), which was the highest in the last three years, said the Centre for Monitoring Indian Economy (CMIE). (*The Economic Times*)

India slips 11 positions on World Press Freedom Index; media voice concern

Media associations in the country have voiced concern over India slipping 11 places to 161st rank in the World Press Freedom Index, 2023, published on Wednesday. Global media watchdog Reporters Without Borders (RSF), which publishes a yearly report on press freedom in countries across the world, had last year ranked India at 150 in a survey of 180 countries. (*Business Standard*)

Emerging economies must step up to fix global challenges: FM Sitharaman

With many of the developed Western economies looking at a 'long-drawn recession', it is imperative for emerging economies to become growth engines of the world and help in resolving various global challenges, Finance Minister Nirmala Sitharaman said on Tuesday. (*Business Standard*)

India to witness less job churn in the next five years: WEF report

Labour markets in India over the next five years are expected to witness a job churn lower than the global average, a recent report released by the World Economic Forum shows. The report, "Future of Jobs", which maps the jobs and skills in coming years and tracks the pace of change, says the Indian labour market will witness a 22 percent job churn, compared to 23 percent worldwide. (*Business Standard*)



Banking and Monetary Policy

Don't increase unsecured loans exposure: RBI to banks

As part of increasing caution amidst growing macro-economic uncertainties and bank collapses in the US and Europe, India's central bank is asking banks back home to be

watchful over their retail portfolios, particularly the unsecured loans. These include personal loans, credit cards, small business loans and micro finance loans (*BusinessLine*).

ARCs seek parity with banks for settlement of small value loans

Asset Reconstruction Companies (ARCs) are seeking parity with banks when it comes to settlement of small value loans. They want the Reserve Bank of India to consider a liberalised settlement scheme for resolution of small value loans in the wake of the Finance Ministry reportedly asking public sector banks (PSBs) to devise schemes for settlement of loans up to ₹50 lakh with the help of systems, including Artificial Intelligence (AI). (*BusinessLine*)

UPI transactions decline in volume & value terms in April

Transaction volumes declined 7.96 per cent month-on-month (m-o-m) in April 2023 to 796.29 crore against 865.16 crore in March 2023(*BusinessLine*).



External Sector

IMF raises Asia's economic forecast on China recovery, warns of risks

The International Monetary Fund (IMF) raised Asia's economic forecast as China's recovery underpinned growth, but warned of risks from persistent inflation and global market volatility driven by Western banking sector woes. The reopening of China's economy will be pivotal for the region with the spillover to Asia seen focused on consumption and service-sector demand rather than investment, the IMF said. (*BusinessLine*)

Indian-origin Ajay Banga confirmed as next president of World Bank

The World Bank's board of governors elected former Mastercard CEO Ajay Banga to a five-year term as president, ushering in an Indian-born finance and development expert to revamp the lender to tackle climate change and other global crises. He starts the new job on June 2. (*Business Standard*)

Pakistan inflation at record 36.4% in April, highest since 1964

Inflation in Pakistan surged to a record level in April on higher food prices, weaker currency and rising energy costs. Consumer prices rose to 36.4% in April from a year earlier, the highest since 1964, the statistics bureau said on Tuesday. The Pakistan's inflation rate is also the highest in South Asia and up from March's 35.4%. (*Mint*)

India expects \$50 billion exports to UAE by FY27

India is targeting \$50bn in exports to the UAE by 2026-27 from \$31.3bn in 2022-23, according to Indian Commerce Secretary Sunil Barthwal. The UAE is already second only to Asean in benefiting from India's trade deal with CEPA, demonstrated by the 54,144 certificates of origin issued between May 2022 and March 2023. Trade between India and the UAE is outpacing normal growth rates. (*The Economic Times*)

India, Saudi Arabia discuss aspects of enhancing bilateral coordination

External Affairs Minister S Jaishankar held a telephone conversation with Saudi Arabia's counterpart Faisal bin Farhan bin Abdullah and discussed aspects of enhancing bilateral coordination on many issues of common concern and intensifying the efforts of the two

countries in laying the foundations for international peace and security. (*Business Standard*)

Fed raises key rate but hints it may pause amid bank turmoil

The Federal Reserve reinforced its fight against high inflation Wednesday by raising its key interest rate by a quarter-point to the highest level in 16 years. But the Fed also signalled that it may now pause its streak of 10 rate hikes, which have made borrowing for consumers and businesses steadily more expensive. (*The Hindu*)

IMF asks RBI, other Asian central banks to keep policy tight

China and India will drive Asia's economic growth in 2023, making Asia-Pacific the "most dynamic of the world's major regions," the International Monetary Fund (IMF) said, while projecting the region's growth in the year at 4.6%. It, however, urged central banks the region, including India's, to keep monetary policy tight to bring down inflation. (*Financial Express*)

Bhutan plans \$500-mn fund for cryptocurrency mining in the Himalayas

Bhutan's investment arm and Nasdaq-listed company Bitdeer Technologies Group plan to seek investors for a fund worth up to \$500 million that will be used to develop green crypto mining in the Himalayan kingdom. Fund raising targeting institutional investors will begin at the end of May and the goal is to set up carbon-free digital mining that taps Bhutan's abundant hydroelectric power, according to a joint statement. (*Business Standard*)

India may be the top FPI destination once US Fed pauses rate hike: Analysts

Within three trading sessions in May, foreign portfolio investors (FPIs) have pumped in Rs 9,461 crore into Indian equities. This follows net inflows worth Rs 7,936 crore in March, and Rs 11,631 crore in April. The trend, analysts said, could continue going ahead as the US Federal Reserve may soon halt its interest rate hike cycle, which will strengthen foreign fund inflows into emerging markets, including India. (*Business Standard*)

WTO ruling against India in tech tariffs dispute with European Union

India will hit back at the European Union (EU) in case the trade bloc decides to invoke its domestic law to impose retaliatory tariffs on the nation, a senior official said, amid tensions between the two sides after a recent World Trade Organization (WTO) ruling against New Delhi over imposition of import duties on ICT (information communications technology) products. (*Business Standard*)

European Union envoys seal deal on joint ammunition buying for Ukraine

European Union finalised a scheme on Wednesday to jointly buy ammunition for Ukraine. Ambassadors from the EU's member countries approved the deal at a meeting in Brussels, ending a dispute over how much of the business from the munitions contracts should stay in Europe. Sweden, current holder of the EU's rotating presidency, said the decision "to support the Ukrainian Armed Forces through \$1.10 billion for joint procurement of ammunition and missiles" .. (*Business Standard*)

US consumer spending flat in March; core inflation still strong

US consumer spending was unchanged in March, while underlying inflation pressures remained strong, which could see the Federal Reserve raising interest rates again next month. The unchanged reading in consumer spending last month, reported by the Commerce Department on Friday, followed a downwardly revised 0.1% gain in February. Consumer spending, which accounts for more than two-thirds of US economic activity, was

previously reported to have increased 0.2% in February. Economists polled by Reuters had forecast consumer spending dipping 0.1%.*(Business Standard)*

China manufacturing activity contracts, but consumer spending strong

China's manufacturing activity unexpectedly contracted in April, a sign the economic recovery remains patchy and may be struggling to sustain momentum. The official manufacturing purchasing managers' index fell to 49.2 from 51.9 in March, the National Bureau of Statistics said Sunday. The gauge dropped below the level of 50 — which signals contraction from the previous month — for the first time since December. Economists surveyed by Bloomberg had forecast 51.4.*(Business Standard)*

India's services exports rise record 27% in FY23, shows RBI data

India's services exports shot up by a record 26.6 per cent in 2022-23 (FY23) to \$322 billion, according to data released by the Reserve Bank of India (RBI) on Tuesday, thus closing the gap with merchandise exports that grew only 6 per cent to \$447 billion in the same period. Services imports, on the other hand, grew 22.2 per cent to \$179.7 billion, leading to a services trade surplus of \$142.5 billion. With a \$267 billion merchandise trade deficit in the last financial year, the country ended up with a cumulative trade deficit (or net exports) of \$124.5 billion.*(Business Standard)*



Agriculture and Rural Economy

Demand for NREGS Work at 10-month high

Demand for work under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) rose for the third straight month through April and scaled a 10-month peak, thanks to subdued agricultural activities. As many as 31.84 million individuals opted for work under the scheme in April, up over 12% from the previous month, according to the preliminary data compiled by the rural development ministry.*(The Economic Times)*

Retail price decline. Reduce maximum retail price on edible oils, SEA tells its members

The Solvent Extractors' Association of India (SEA) has urged its members to reduce the maximum retail price (MRP) of edible oils. Ajay Jhunjhunwala, President of SEA of India, said the Department of Food and Public Distribution, Government of India, regularly reviews the price of edible oils. *(BusinessLine)*

India's rice procurement set to top 50 million tonnes

The Indian government's rice procurement reached 49.98 million tonnes (mt) as of April 30 during the ongoing marketing season from October 1. But it is a tad below 50.03 mt reported in the year-ago period. This may help the Government to provide additional allocation in rations shops, if needed even if wheat procurement falls below its target.*(BusinessLine)*

India may maintain rice shipments in current fiscal on strong demand

Indian non-basmati rice exporters hope to sustain the record-high shipments this fiscal as witnessed in the 2022-23 fiscal. In 2022-23 fiscal, shipments touched a new peak in volumes and value on the robust demand for the cereal. Indian non-basmati rice exports,

despite a levy of 20 per cent duty, a ban on broken rice and a decline in purchases by Asian buyers such as Bangladesh and China, touched a record 17.78 million tonnes valued at over \$6.35 billion in 2022–23. *(BusinessLine)*

UPL inks pact with Guyana for model millets farm

UPL, an agrochemical and speciality chemicals company, has signed a memorandum of understanding with the Republic of Guyana to establish a 200-acre 'Millets Model Farm'. The company will study various millet varieties to identify those that are suitable for cultivation and consumption in Guyana. *(BusinessLine)*

Odisha govt inks pact with ICRISAT to develop agri marketing network

The Odisha State Agricultural Marketing Board (OSAM) under the cooperation department of Odisha government on Tuesday signed an agreement with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), Hyderabad, to facilitate the development of agri marketing network in the state. The agri marketing network will link all the 66 regulated market committees (RMCs) of the state, 43 krushak bazars, 76 municipal markets, including 800 farmers produce organisations (FPOs) and women SHGs. *(Business Standard)*

Absolute launches biological agri-input business Inera CropScience

Absolute, a bioscience company has launched its biological agri- input business - Inera CropScience. Inera is backed by Xenesis, the R&D arm of Absolute. The company has launched its crop-agnostic range of biofertilizers, biostimulants, biocontrols and seed coating products starting with India. *(The Economic Times)*

India's shrimp sector to see 5% growth in 2024: CRISIL

India's shrimp sector will see revenue grow 5% on-year in fiscal 2024, driven by increasing demand from China, which will shore up exports to a near lifetime high of \$5.3 billion seen in fiscal 2022, according to CRISIL Ratings. *(The Economic Times)*

Gujarat govt announces relief package for farmers hit by unseasonal rains

The Gujarat government on Thursday announced a relief package for farmers who suffered losses due to unseasonal rains in several parts of the state in March. The relief package for providing "assistance" to the affected farmers was cleared in the state cabinet meeting chaired by Chief Minister Bhupendra Patel earlier in the day, said Health Minister and spokesperson of the state government Rushikesh Patel. *(The Economic Times)*

Govt sets foodgrain production target of 332 MT for 2023-24

The government has set a target of 332 million tonne (MT) for foodgrain production for the 2023-24 crop year (July-June), a 2.6% increase from the previous year. According to the Ministry of Agriculture and Farmers Welfare, the goal includes the production of 29.25 MT of pulses, 44 MT of oilseed, and 17 MT of millets, with strategies being developed in anticipation of El Nino's impact. *(Mint)*

El Nino casts a shadow over Indian agriculture

In April, the India Meteorological Department (IMD) forecast a normal monsoon for 2023, with rains estimated at 96% of the long-term average. But it added a rider, which many observers were quick to focus on, and quite rightly. The IMD observed that both its models, and those prepared by others, indicated "that El Niño conditions are likely to develop during the monsoon season." *(Mint)*

MNREGA workers may get SMS confirming their attendance

MGNREGA workers protested when the Centre made it mandatory to digitally capture their attendance using a mobile-based application four months ago, complaining that they had no way of confirming whether their attendance had been accurately recorded until their wages landed in their bank accounts. In response, the Rural Development Ministry is now considering providing a text confirmation of attendance to workers at the end of each work day or the end of one work schedule. *(The Hindu)*



Industry, Manufacturing, Services and Technology

World Bank Unveils Process to Assess Business Climate

The World Bank on Monday announced a new methodology with improved safeguards to assess the business and investment climate in up to 180 economies, two years after it junked the 'Doing Business' rankings. *(The Economic Times)*

Core sectors' output dipped to 5-month low of 3.6% in March

Growth in India's eight core sectors' output fell to a five-month low of 3.6% in March, from 7.2% in February, with electricity and cement production slipping from a year ago, and crude oil output falling for the tenth successive month. Coal production jumped 12.2% in March, while fertilizers and steel output grew 9.7% and 8.8% respectively, relatively slower than recent months, as per data released by the Commerce and Industry Ministry. *(The Hindu)*

Five key industry verticals to drive hiring of STEM-qualified women in FY'24

Top five industry domains that are planning to increase their intake of STEM (science, technology, engineering and mathematics) qualified women during fiscal 2023-24 will include retail/e-commerce, healthcare and pharma, IT/ITES, construction and real estate and FMCG, said a report, 'Bridging the Skills Gap - Towards an Equal Workplace' released by NLB Services, an Atlanta-based technology and digital talent solutions provider and NTT DATA, an IT services player on Monday. *(The Hindu)*

For India's Services firms, April was the best month in almost 13 years: S&P Global PMI

For India's manufacturing sector, new orders and production levels recorded their strongest growth so far in 2023 during April as per the seasonally adjusted S&P Global India Manufacturing Purchasing Managers' Index (PMI), which rose to 57.2 from 56.4 in March. *(The Hindu)*

TRAI issues recommendations for ease of doing business for telecom, broadcast sector

The Telecom Regulatory Authority of India (TRAI) has recommended granting infrastructure status to 'broadcast and cable sector and submarine cable laying and repair in Indian Territorial Water and Exclusive Economic Zones of India', and that Cable Landing Stations in India be classified as 'critical and essential services'. *(BusinessLine)*

India's manufacturing PMI rises to 4-month high in April on growing order book

India's manufacturing sector kicks off FY24 on a positive note on the back of improved order book as well as growth in the production. According to data released by S&P Global Market on Monday, the country's manufacturing Purchasing Managers' Index (PMI) rose to a four-month high of 57.2 in April against 56.4 in March. *(BusinessLine)*

The chip sector has a new sport: Finding the bottom

By late last year, it was clear the semiconductor sector was heading into a slump. Three years of runaway demand and tight output was coming to an end and companies right through the supply chain were suddenly caught with too much inventory as the global economy hit the brakes. Calling the bottom has been tough, and timing the rebound has multibillion-dollar repercussions. *(BusinessLine)*

Government will make policies industry-friendly as auto sector in India is everchanging: Mahendra Nath Pandey

The government is putting in place mechanisms to factor in the dynamics of a highly price-sensitive Indian automobile market that pushed American auto giants like General Motors and Ford to shut shop in India. The government's several schemes are already in place now for enhancing India's manufacturing capabilities for automobile and auto components industry, *(BusinessLine)*

'Unhappy with footwear industry for not complying with quality control'

Commerce and Industry Minister Piyush Goyal on Wednesday came down heavily on the footwear industry for not complying with the quality control order issued in 2020 and seeking more time to comply. Industry players and exporters of footwear have urged the government to extend the implementation of the Quality Control Order (QCO) by 12 months as the businesses are not yet prepared to follow the norms. Goyal said that no QCO is introduced without adequate consultations with the industry. *(Business Standard)*

Media industry grows, but TV revenues remain flat

The Indian media and entertainment industry will collectively be worth ₹2.8 lakh crore by 2025, Ernst & Young (EY) and the Federation of Indian Chambers of Commerce and Industry (FICCI) estimated in a joint report. Live events and animation and visual effects industries would lead the expansion, with compound annual growth rates of 22.2% and 21.1%, respectively. Digital media's share of the media and entertainment industry increased to 27% in 2022, from 16% in 2019. *(The Hindu)*

India's coal production hit a record high in April, up 8.67% from a year ago

India's coal production hit a record high of 73.02 million tonne (MT) in April, rising 8.67% from a year ago. The largest coal producer, Coal India Ltd reported production of 57.57 MT in April, up 7.7% from April 2022. The ministry said it has facilitated the release of additional coal in the market through greater utilisation of mining capacities in captive and privately-operated coal blocks whose output provisionally rose 17.5% to nearly 10 MT in April. *(The Hindu)*



NIRF model ranking system to assess institutions in State

Higher Education Minister R. Bindu formally launched the Kerala Institutional Ranking Framework (KIRF), modelled on the lines of the National Institutional Ranking Framework (NIRF), to assess the quality of higher education institutions. *(The Hindu)*

Unions to hold stir against KSEB's smart meter plan

Major unions in the power sector will, on May 9, formally announce their decision to launch protests in Thiruvananthapuram against the Kerala State Electricity Board (KSEB) move to adopt the TOTEX model for smart meter roll-out. *(The Hindu)*

Building permit fee hiked due to persistent demands from local bodies: Minister

The building permit fees in the State were hiked due to persistent demands from the local bodies, including the ones ruled by the Opposition parties, for measures to increase their own revenues, Minister for Local Self-Governments M.B. Rajesh has said. *(The Hindu)*

Second rubber park of Kerala to come up in Kollam district

Thiruvananthapuram (Kerala) [India], May 4 (ANI): The Kerala government is setting up a rubber park in the Kollam district with the aid of the Rubber Board and Kerala Industrial Infrastructure Development Corporation (KINFRA). *(ThePrint)*

Wayanad tops Swachh Bharat Mission's ODF Plus rankings

Wayanad has become the first district in the country to be declared ODF (open defecation-free) Plus. *(The Hindu)*

Rs 6000 for second girl child birth, Kerala to implement PMMVY in view of declining sex ratio.

The Kerala government has decided to launch the scheme declared by the union government to tackle the declining trend in the female birth rate. *(The Economic Times)*

'Full depth reclamation of roads is economical, eco friendly'

FDR technology will revolutionise road construction in Kerala since use of virgin raw materials like aggregate and mud can be reduced by 70%, says NATPAC Director. *(The Hindu)*