



Public Finance

Fiscal deficit touches 64% of full-year target in April-January, shows govt data

Centre's fiscal deficit touched 64 per cent of revised estimate during April-January period of current fiscal, data from Controller General of Accounts (CGA), released on Thursday showed. Fiscal deficit is the difference between the expenditure and the income. The government has revised the estimate of fiscal deficit to ₹17.35-lakh crore or 5.8 per cent of the GDP. (*BusinessLine*)

NITI Aayog to work with States on public finance management

The federal policy think tank NITI Aayog will work with the States on issues relating to public finance management, its Vice-Chairman Suman Bery said on Thursday. The 15th Finance Commission and the ones prior to it have observed that there is a lack of consistency in the transparency of fiscal accounts of States, he said while delivering the inaugural address at the 2nd Annual Conference on Public Finance and Policy, which was organised by the Centre for Public Finance, Madras School of Economics (MSE). The think tank would look into how the lack of consistency and transparency in the fiscal accounts of States impact their capacity to advance their development agenda, Mr. Bery said. (*The Hindu*)



Taxation

GST mop-up grows 12.5% to over ₹1.68-lakh cr in Feb

The GST collection in February grew 12.5 per cent to over ₹1.68-lakh crore, buoyed by domestic transactions, the finance ministry said on Friday. The total gross GST collection for the current fiscal (April 2023-February 2024) stands at ₹18.40-lakh crore, 11.7 per cent higher than the mopup for the same period last fiscal. The average monthly gross collection for the current fiscal stood at ₹1.67-lakh crore, exceeding ₹1.5-lakh crore in the last fiscal. (*BusinessLine*)

EU Carbon Tax: Indian exporters to report emissions based on new default values

The default value for carbon emissions released by the EU recently could have an impact on Indian steel and cement exporters if these numbers are taken as a benchmark to calculate carbon tax dues under the proposed Carbon Border Adjustment Mechanism (CBAM), per industry estimates. Taxation under CBAM starts in 2026. (*BusinessLine*)

Leverage technology to provide better taxpayer services, FM tells GST officials

Finance Minister Nirmala Sitharaman on Monday urged all the GST formations to leverage technology to plug the loopholes as well as provide better taxpayer services. She also called for clarity on classification-related issues that should be looked into at the earliest through appropriate channels. Sitharaman was addressing first-ever National Conference of Enforcement Chiefs of the State and the Central GST Formations. She "advocated for

sharing of emerging best practices, emphasising the need for seamless coordination across States in the larger national interest," a Finance Ministry statement said. *(BusinessLine)*

Income tax dept sets April 30 deadline for unprocessed returns related with AY 2021-22

The Income Tax Department has revised its timeline for completing the assessment and inform the assessee by April 30, 2024. However, this will not cover cases under scrutiny. In an order, dated March 1, the Central Board of Direct Taxes (CBDT) noted that due to certain technical issues, or for other reasons not attributable to the assessee concerned, several returns for AY 22, could not be processed. *(BusinessLine)*

MHI considers proposal to lower GST on flex fuel vehicles, but auto industry divided on the matter

The Centre is in discussions with the industry on the proposed lowering of the Goods and Services Tax (GST) on flex-fuel vehicles (FFVs) from the current rate of 28 per cent, but has not come to a consensus yet as stakeholders remain divided on the matter. Senior officials at the Ministry of Heavy Industries (MHI), along with some industry representatives and senior officials from other departments concerned, had a meeting recently to look into the matter, but no conclusion was drawn as some of the companies do not agree to the proposal, multiple sources told businessline. *(BusinessLine)*

Uncertainty looms over next GST Council meet as poll dates can be announced anytime

With the schedule for the General Election 2024 likely to be announced anytime soon, uncertainty prevails over the next meeting of the GST Council. As on date, there is no indication from the Government about the next meeting of the Council. The last meeting (52nd) took place on October 7, 2023. *(BusinessLine)*



National Accounts and State of the Economy

NITI Aayog launches central data repository for states

NITI Aayog, on Thursday, launched the 'NITI for States' portal, a multi-sectoral live repository of 7,500 best practices, 5,000 policy documents, over 900 datasets, 1,400 data profiles, and 350 NITI publications. The portal is expected to equip officials with robust knowledge, actionable insights, and user-friendly digital tools that will help accelerate the digital transformation of governance, the Aayog said in a statement. *(The Economic Times)*

On Women's Day, PM Modi announces Rs 100 discount on LPG cylinder prices

On the occasion of International Women's Day on Friday, Prime Minister Narendra Modi announced a discount of Rs 100 on the prices of Liquefied Petroleum Gas (LPG) cylinders, a clean cooking fuel, to "make the life of women easier. The PM announced this in a post on the social media platform 'X' (formerly Twitter). *(Business Standard)*

Vaishnav makes a case for reforming economic laws to suit India's growth requirement

New Delhi, Union minister Ashwini Vaishnav on Thursday made a case for reforming economic laws to suit India's growth requirement as has been done through enactment of

three new criminal laws to replace the colonial-era legislations. Addressing an event organised by government think tank NITI Aayog, Vaishnaw said the country is going to witness changes in criminal jurisprudence with the enactment of Bharatiya Nyaya Sanhita, Bharatiya Nagarik Suraksha Sanhita and Bharatiya Sakshya Act. (*The Economic Times*)

Moody's ups GDP forecast, India to remain fastest growing G20 nation

Moody's Ratings on Thursday raised India's GDP growth forecast for FY24 to around 8 per cent from 6.6 per cent on the back of strong domestic consumption and capital expenditure. The estimate comes a day after RBI Governor Shaktikanta Das said the economic growth in the current financial year could be close to 8 per cent in view of the third quarter GDP data released by the government. The latest estimate of Moody's is about 140 basis points higher than the earlier projection of 6.6 per cent made in November 2023. (*Business Standard*)

MP strives to double its share in GDP with Rs 1 trn investment drive

Madhya Pradesh Chief Minister Mohan Yadav said that the state will strive to double its contribution to the country's Gross Domestic Product (GDP) on the back of favourable policies and all-round development. Addressing the concluding session of the two-day Regional Investor Conclave, which for the first time was being held outside its traditional destination of Indore in the holy city of Ujjain, Yadav said that the state's agriculture growth has been a robust over 20 per cent and now it is time for manufacturing and industry to pick up pace. (*Business Standard*)

At 4.3% in FY25, inflation may head lower than RBI forecast, estimates CMIE

Inflation may decline for two years in a row. Inflation is likely to fall to 4.3 per cent in the financial year 2024-25 from 5.4 per cent in the financial year 2023-24, according to an estimate by the Centre for Monitoring Indian Economy (CMIE). This is lower than the consumer price index (CPI) projection by the Reserve Bank of India (RBI) for the next financial year at 4.5 per cent. In the financial year 2022-23, the inflation rate had increased by 6.7 per cent, the highest in nine years, including the financial year 2014-15. (*Business Standard*)



Banking and Monetary Policy

RBI, Bank of Indonesia sign MoU promoting use of local currencies for trade

The Reserve Bank of India and the Bank of Indonesia on Thursday signed a Memorandum of Understanding establishing a framework to promote the use of local currencies for cross-border transactions. "The MoU covers all current account transactions, permissible capital account transactions and any other economic and financial transactions as agreed upon by both countries," the RBI said on Thursday. (*The Economic Times*)

RBI not against any fintech; they are free to grow: Governor Shaktikanta Das

The Reserve Bank of India is not against any fintechs, RBI Governor Shaktikanta Das told ET Now in an interview on March 6. The RBI only wants fintechs to grow, Das averred. The banking regulator's recent actions are not directed against any fintech but against a regulated entity, the Governor underlined in a reference to the Paytm case that has caused major ripples in India's fintech industry. A few weeks ago, the central bank had imposed

a series of penalties on Paytm bank citing "persistent non-compliance and continued material supervisory concerns." (*The Economic Times*)

RBI says banks have to offer customers a choice of credit card network

The Reserve Bank of India (RBI) has directed banks and credit card companies like American Express, Diners Club, MasterCard, Rupay, and Visa not to enter into any exclusive agreement to issue credit cards. In a notification the central bank has directed banks to provide an option to their customers to choose from multiple card networks at the time of issuance and renewal of cards. The notification follows a draft circular issued in July last year which asked banks to issue cards from more than one network provider giving an option to customers to choose any one among the multiple card networks. (*The Economic Times*)

Banks turn to bulk deposits to meet credit demand on tepid retail FDs

Banks, struggling with slow growth in deposits, have tapped the bulk deposit market aggressively in the last few months, resulting in the outstanding certificates of deposit (CDs) in the banking system rising to a decadal high. Reserve Bank of India (RBI) data show that outstanding CDs in the banking system rose to ₹3.81 lakh crore - the highest since April 2014. These deposits are also not coming cheap as interest rates on these instruments have risen to a maximum of 8.22% which is also the highest since May 2019. (*The Economic Times*)

30 banks join RBI UDGAM portal for unclaimed deposits

The Reserve Bank on Tuesday said 30 banks are facilitating people to search their unclaimed deposits/accounts through UDGAM portal, and the remaining banks are in the process of getting on-boarded. UDGAM--Unclaimed Deposits-Gateway to Access inforMation -- is an online portal developed by RBI. It facilitates the registered users to search unclaimed deposits/accounts across multiple banks in one place in a centralized manner. All unclaimed deposits/accounts that are part of the Depositor Education and Awareness (DEA) Fund of RBI can be searched in the UDGAM portal. (*The Economic Times*)

Securitisation of loans originated by SFBs to cross Rs 10,000 cr in FY2024: ICRA

Fundraising by small finance banks (SFBs) through securitisation is expected to exceed Rs 10,000 crore in FY2024 against Rs 6,400 crore in the previous year, rating agency ICRA said on Tuesday. The third quarter of FY2024 alone witnessed the quarterly record high securitisation volumes of about Rs 4,200 crore, ICRA said in a release. "The market share of SFBs in the securitisation market would accordingly touch a peak of 6 per cent in FY2024 from levels of sub-2 percent prior to FY2022," it said. (*The Economic Times*)

Banks' NPAs at record lows as recoveries up

Banks' bad loans have fallen to record lows as recoveries from defaulters rise and many who missed payments have regularised, but lenders are looking at building buffers anticipating some stress, said CareEdge Ratings. Bad loans fell 21% in the last calendar to Rs 4.85 lakh crore, from a year earlier. The ratio of gross bad loans could improve to 2.8% this year from 2.9% last year. Write-offs stood at Rs 34,000 crore from Rs 29,000 crore in the December quarter last year. (*The Economic Times*)

India to launch interoperability of digital payment systems for internet banking in 2024

India's central bank expects to launch interoperability of digital payment systems for internet banking in 2024 to enable faster fund settlements for merchants, Governor Shaktikanta Das said on Monday. "... we have given approval for implementing such an interoperable system to NPCI Bharat BillPay Ltd (NBBL)," Das said. "We expect the launch of this interoperable payment system for internet banking during the current calendar year." (*The Economic Times*)

Amit Shah launches NUCFDC, sets target to establish one urban cooperative bank in each town

Cooperation Minister Amit Shah on Saturday launched the National Urban Cooperative Finance and Development Corporation (NUCFDC) and asked the umbrella body to set up one urban cooperative bank in each town. He also said urban cooperative banks should upgrade themselves to provide ATM facility, credit/debit cards, clearing system, maintain SLR (statutory liquidity ratio) limit and refinancing. NUCFDC has received the RBI approval to function as a non-banking finance company and a self-regulatory organization for the urban cooperative banking sector. (*The Economic Times*)

Data sovereignty: SBI mulling to build its own domain-specific LLM

The country's largest lender State Bank of India is mulling to build its own Large Language Model (LLM) to leverage the data it possesses, a senior official said on Friday. The bank has been using Artificial Intelligence (AI) for over seven years now, and wants to create a situation where it can co-exist with an open-source LLM, its Deputy Managing Director Nitin Chugh said speaking at the Asia Economic Dialogue event here. The project to build its own LLM is an ambitious one to be executed over the long-term, Chugh, who heads the digital banking and transformation efforts at SBI, said. (*The Economic Times*)



External Sector

EU Carbon Tax: Indian exporters to report emissions based on new default values

The default value for carbon emissions released by the EU recently could have an impact on Indian steel and cement exporters if these numbers are taken as a benchmark to calculate carbon tax dues under the proposed Carbon Border Adjustment Mechanism (CBAM), per industry estimates. Taxation under CBAM starts in 2026. For the transitional period between 2023 and 2026, exporters here need to start reporting on embedded carbon emissions in their shipments to the EU. (*BusinessLine*)

India to become global powerhouse in medical device and pharma exports: Health Minister Mandaviya

India has moved on to become a major exporter of bulk drugs and medical devices, Union Health Minister, Mansukh Mandaviya said on Saturday. According to him, India worked on schemes and plans to de-risk its supply chain from global vagaries and dependence on a single country in terms of obtaining APIs for bulk medicine making. (*BusinessLine*)

RBI, Indonesia's central bank sign agreement for local currency trade

The Reserve Bank of India (RBI) and Indonesia's central bank on Thursday signed an agreement in Mumbai to promote cross-border local currency transactions. It is India's

second such local currency trade agreement after the UAE. The agreement “aims to promote the use of INR (Indian Rupee) and IDR (Indonesian Rupiah) bilaterally”. *(Business Standard)*

WTO ministerial extends moratorium on e-commerce taxation

The 13th Ministerial conference of the World Trade Organisation (WTO) late Friday decided to extend the moratorium on taxation of cross border electronic transmissions for another two years but could not take any decision on a permanent solution on public stockholding of foodgrains for food security and fisheries subsidies which were key Indian demands. *(Financial Express)*



Agriculture and Rural Economy

India needs more startups in agriculture space, says CEO of Deshpande Startups

The CEO of incubator Deshpande Startups, Karthik Sankaran, says they have provided mentorship and financial support to over 400 startups, and the focus is primarily for those solving for rural India. *(The Economic Times)*

Drone Didis of India change farming methods and society, one at a time

Launched by PM Modi in November 2023, the Drone Didi programme aims to help modernise Indian farming by reducing labour costs, as well as saving time and water. "This scheme is not just about employment but also empowerment and rural entrepreneurship," Yogendra Kumar *(The Economic Times)*

Cabinet raises jute MSP to Rs 5,335 per quintal

In the current season 2023-24, the government has procured a record amount of more than 6.24 lakh bales of raw jute through the Jute Corporation of India, at the cost of Rs 524.32 crore, benefitting around 1.65 lakh farmers. *(The Economic Times)*

Centre estimates onion production 15% lower, pegs potato output 2% down

The production of onions in 2022-23 is estimated to be 302.08 lakh tonne compared to 316.87 lakh tonne in 2021-22. For potatoes, the production estimates in 2022-23 are around 601.42 lakh tonne, compared to 561.76 lakh tonne estimated for 2021-22. For tomatoes, the production in 2022-23 could be around 204.25 lakh tonne, compared to 206.94 lakh tonne estimated for 2021-22. *(The Hindu)*

82% hike in tea development, promotion funds takes outlay to Rs 528 crore for 2024-26

Around 800 self-help groups and 330 farmer-producer organisations (FPO) are proposed to be setup in the next two financial years under the scheme. The outlay is Rs 290.81 crore at present. Bhatia said that a significant increase in outlay has been made to promote Indian tea in both domestic and international markets. The funds for the promotion of tea have been increased to Rs 72.42 crore. *(The Economic Times)*

India sugar crop woes create opportunity for Al Khaleej refinery

Dubai's Al Khaleej Sugar aims to increase production at its sugar refinery this year, with competition from India curtailed by bad weather in the South Asian country, its managing director said on Tuesday. Jamal Al Ghurair said on the sidelines of the annual Dubai sugar

conference that its refinery at Jebel Ali in Dubai was operating at 40% of capacity last year with production of about 600,000 metric tons, but was aiming if possible to produce up to 1.5 million tons this year. *(Business Standard)*

Farmers' enrolment in Fasal Bima scheme rises 27% in 2023-24

The government on Tuesday said there was a 27 per cent increase in farmers enrolled under the flagship crop insurance scheme PMFBY and the share of non-loanee farmers was 42 per cent in the total enrollment during 2023-24, both kharif and rabi seasons. However, the increase this year has been attributed by experts to Maharashtra and Odisha's decision to completely bear the farmers' share of premium. *(BusinessLine)*

India's rice buy for buffer stocks tops 44 million tonnes but down 7% YoY

Rice procurement across the country has reached 44.15 million tonnes (mt) as of March 5 after the 2023-24 season began from October 1. This is 7 per cent lower from 47.55 mt year-on-year (YoY). However, considering that the kharif season's production of rice has been estimated at 111.46 mt this year, the current procurement has already reached near 40 per cent of output and more purchases may not be desirable for the Government as it may create a shortage in the open market, experts said. *(BusinessLine)*



Industry, Manufacturing, Services and Technology

India's perpetual sugar glut needs ethanol and export support

There is a supply crunch for it this season but sugar will be among the food commodities that will be in surplus in the country until 2047-48, as per recent projections. The projections, made in a report by a working group of the NITI Aayog, said that sugar supply overtook demand by 3 million tonnes in 2011-12 and will continue at that level till 2035-36. By 2047-48, sugar and related products' supplies will outstrip demand by nearly 6 million tonnes. *(Business Standard)*

WBPDCCL not debarred illegally to participate in auctions: Coal Ministry

The Centre on Monday refuted media reports that West Bengal Power Development Corporation Limited was illegally barred by the Coal Ministry from participating in an auction for coal mines located in West Bengal. "An article has been published in a section of media alleging that the Union Government illegally barred West Bengal from coal auctions, benefiting a corporate.. *(Business Standard)*

Expect India to be third largest market among 118 nations: Mercedes-Benz

German carmaker Mercedes-Benz expects India to become its third biggest market in its 'Region Overseas' over the next 2-3 years with demand anticipated to remain strong for luxury products, according to a senior company executive. The Region Overseas for Mercedes Benz comprises 118 countries, excluding North America, Europe and China. *(Business Standard)*

Phones smarter with generative AI give industry hope to ring in sales

In a flat market for smartphones, the hope is that generative artificial intelligence (GenAI) will make the difference for better sales. A preliminary forecast by research group IDC said that 170 million smartphones with GenAI will be shipped in 2024, comprising almost 15 per cent of total shipments and compared to 51 million shipments in 2023. The forecast

should cheer up original equipment manufacturers (OEM) who have been struggling with a global sales slowdown. *(Business Standard)*

India to be on high-stake global stage of chip makers in 5 years: Vaishnav

India will, in next five years, join the high-stake global stage of semiconductor manufacturing as it combines unparalleled design capabilities with USD 10 billion of incentives to draw manufacturers to set up new fabs and units that will cut dominance of Taiwan, South Korea and China, said IT and Telecom Minister Ashwini Vaishnav. *(Business Standard)*

Narrative is changing about senior care industry: Tara Singh Vachani

Tara Singh Vachani is the executive chairperson at Antara Senior Care, which she says it is building India's largest integrated senior care "ecosystem" in India. She spoke to Namrata Kohli about how the Indian senior care industry has evolved over the years. *(Business Standard)*

Roll-out of PM MITRA to help attract large investments in textiles: Experts

expeditious implementation of the ambitious scheme to develop seven PM Mega Integrated Textile Regions and Apparel (PM MITRA) parks will help in attracting large investments, including FDI, in the sector besides generating huge employment, said industry experts. *(Business Standard)*

Tech industry to push back against the new AI rule requiring govt approvals

The Minister of Electronics and IT's diktat that makes it mandatory for tech companies working on artificial intelligence products to seek government nod before launching their products in India has attracted backlash from the industry and legal experts. *(BusinessLine)*

Crude oil gains as industry data shows rise in US inventories below market expectations

According to the industry body American Petroleum Institute (API), crude oil inventories in the US increased by 0.42 million barrels for the week ending March 1 against an increase of 8.42 million barrels a week prior to that. The market was expecting an increase of 2.6 million barrels for the week ending March 1. *(BusinessLine)*

Microfinance industry may clock 25% growth in FY24 on positive momentum

The microfinance industry is expected to end this fiscal year with a growth rate of about 25 per cent, aided by the sustained positive momentum in the industry. *(BusinessLine)*



News on Kerala

PM Modi inaugurates Thripunithura line of Kochi Metro in Kerala

Prime Minister Narendra Modi on March 6 (Wednesday) dedicated the final phase of the first phase of Kochi Metro (Phase 1B) linking the metro line to Thripunithura in Ernakulam district of Kerala to the nation in virtual mode from Kolkata. The Prime Minister also inaugurated India's first underwater metro corridor. *(The Hindu)*

Kudumbashree's Lunch Bell launched in city

The Kudumbashree's 'Lunch Bell' is aimed at giving the Mission's activities a makeover by tapping into new possibilities without deviating from its objectives, Minister for Local Self-Government M.B. Rajesh has said. He was speaking after inaugurating the Lunch Bell initiative here on Tuesday. *(The Hindu)*

All Kerala Higher Education Survey report released

The All Kerala Higher Education Survey 2021-22 has recorded a gross enrolment ratio (GER) of 41.3% in higher education institutions in the State. This is higher than the national average of 28.4%. The GERs for females and males stood at 49% and 34.1% respectively, while at the national level, the corresponding figures were 28.5% and 34.1%. In terms of inclusiveness, Kerala's GER of Scheduled Castes and Scheduled Tribes are 28.3% and 28.9%. The national average of the latter category stood as low as 21.2%. *(The Hindu)*

Urban policy should have recommendations to strengthen decentralisation: Minister

Members of the recently formed Kerala Urban Policy Commission met the Minister for Local Self-Governments M.B. Rajesh here on Tuesday. Mr. Rajesh said that the urban policy being formulated by the Commission should have recommendations to further strengthen decentralisation and steps for local bodies to generate more income using their available resources. *(The Hindu)*

President approves Kerala Lok Ayukta Bill; withholds assent to 3 university law bills

President Droupadi Murmu has withheld assent to the three University laws bills referred to her by Governor Arif Mohammed Khan, but approved the Kerala Lok Ayukta Bill passed by the state assembly. The Raj Bhavan in a statement on Thursday said that the President has withheld assent to the Kerala University Laws (Amendment No.2) Bill 2022, which aims to replace the Governor from the position of Chancellor of Universities. *(The Economic Times)*

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