



Public Finance

'Nearly Rs 4,500 crore under Pradhan Mantri Jan Vikas Karyakram lying unused'

An amount of about Rs 4,500 crore under the Pradhan Mantri Jan Vikas Karyakram (PMJVK) of the Ministry of Minority Affairs is lying "unused" with the states, officials said on Monday. Till the state governments make use of these funds and submit "utilisation certificates", it is not possible for the Centre to make more funds available to them under the scheme, they said. *(The Economic Times)*

Centre releases third installment of tax devolution to states

The centre Monday released Rs 1.18 lakh crore as the third instalment of tax devolution to states in June, a finance ministry statement said. The government has released one advance instalment, in addition to the regular instalment due in June 2023, to aid states push up capital spending. *(The Economic Times)*

PLI schemes to be reviewed by fiscal year-end for any 'course correction'

The government will evaluate by the end of this fiscal year the need for any course correction in the sectors where it launched production-linked incentive (PLI) schemes, especially where the programmes haven't taken off, senior officials said Tuesday. *(The Economic Times)*

Moody's flags high government debt and fiscal slippage risks for Indian economy

Moody's on Sunday said the Indian economy is expected to clock a 6-6.3% growth in June quarter, and flagged risks of fiscal slippage arising from weaker-than-expected government revenues in the current fiscal. India has a relatively high level of general government debt at around 81.8% of GDP for 2022-23, and low debt affordability, the agency said. *(The Economic Times)*

Asset under management may cross magical number of Rs 10 lakh crore by September: PFRDA Chairman

The AUM under pension schemes is expected to cross the landmark figure of Rs 10 lakh crore in the first half of this fiscal, helped by regular contributions from subscribers, PFRDA Chairman Deepak Mohanty has said. Out of Rs 9.58 lakh crore, NPS alone has a fund size of Rs 9.29 lakh crore while the remaining Rs 28,538 crore is the corpus of APY. *(The Economic Times)*

Finmin to pitch for rating upgrade to Moody's

Finance ministry officials, led by chief economic adviser V Anantha Nageswaran, will huddle with senior executives of Moody's on June 16 to push for an upgrade in its sovereign rating for India, a senior official said. Moody's has retained its sovereign rating for India at the lowest investment grade of "Baa3" with a "stable" outlook. *(The Economic Times)*



CBIC Tightens Norms for GST Registrations

The Central Board of Indirect Taxes & Customs (CBIC) has tightened norms for businesses to get registered under the Goods and Services Tax regime following instances of registration using fake documents. The apex indirect taxes body has also directed officials to properly verify documents submitted and to reject applications where applicants fail to provide all the required documents. *(The Economic Times)*

GST Evasion of ₹30,000 cr Unearthed

A nationwide crackdown by the Goods and Services Tax authorities uncovered tax evasion to the tune of ₹30,000 crore, allegedly carried out via stolen identities including as many as 18,000 Permanent Account Number (PAN) and Aadhaar cards, people familiar with the development said. *(The Economic Times)*

CBIC Weighs I-T-like Prefilled Consolidated GST Return Forms

The government is working on pre-filled consolidated GST return forms on the lines of Annual Information Statement (AIS) feature used by the Income tax department, which will allow taxpayers to view all their transaction details and e-invoices to arrive at exact tax liabilities. *(The Economic Times)*

Mobile GST hike gives government more than PLI outlay: Industry Executives

In fact, the five-year smartphone PLI scheme will leave a revenue surplus of ₹11,000 crore if only the Centre's GST (goods and services tax) collections are taken into consideration, industry body India Cellular and Electronics Association (ICEA) said in a June 5 letter to the finance ministry. The government increased the GST on mobile phones to 18% from 12% on April 1, 2020, the day the smartphone PLI scheme was announced. *(The Economic Times)*

Aggregate state GST collections growth to moderate to 12-14 per cent in FY24: Crisil

Crisil predicts that the growth in the aggregate GST collection for states will decrease to 12-14% in FY24 from 20% in FY23. Despite the moderation, GST collections will remain the leading driver of revenue growth for states. The resilience of the Indian economy, moderate inflation, and increasing tax compliance will contribute to the GST collections. *(The Economic Times)*



National Accounts and State of the Economy

Economy on autopilot, won't overheat for years: Chief Economic Adviser

The Indian economy is now on "auto-pilot" mode and will grow steadily in the range of 6.5% to 7% from this year till 2030, even without further reforms, Chief Economic Adviser (CEA) V. Anantha Nageswaran asserted on Friday, adding that the 7.2% GDP initial growth assessment for 2022-23 could be an underestimate. *(The Hindu)*

Domestic GDP growth on firm footing, growth slightly revised upwards: SBI study

The country's largest commercial lender State Bank of India (SBI) said that domestic GDP growth is now on firm footing with urban demand showing good traction, while lagging rural demand is a cause of concern. *(The Hindu)*

Finance ministry on same page with RBI for FY24 growth forecast: CEA

Chief Economic Adviser V. Anantha Nageswaran on Saturday said that the government is on the same page with the Reserve Bank of India on the GDP growth forecast for the current financial year which is 6.5%. *(The Hindu)*

FY23 Growth May Beat Current 7.2% Estimate: CEA

India's FY23 growth could be higher than the current estimate of 7.2% when the numbers for the fiscal are finalised in early 2026, chief economic advisor V Anantha Nageswaran said on Saturday. *(The Economic Times)*

Unemployment Rate Falls to 7.7 % in May

The unemployment rate in India fell to 7.7 per cent in May due to a decline in the labour participation at 441.9 million, according to a data released by private economic think tank CMIE. *(The Economic Times)*

Peak Power Demand Hits Record 223 GW on June 9

Peak power demand met or the highest supply of electricity touched an all-time high of 223.23 GW on June 9, showing the waning impact of unseasonal rains on consumption, government data showed. *(The Economic Times)*

Govt likely to release fewer GDP estimates from 2024 to avoid markets confusion

The Ministry of Statistics and Programme Implementation is expected to release four estimates of GDP data from next year, with the aim of boosting the quality of economic data. This is most likely to eliminate the markets confusion. *(Mint)*

Inflation at 25-Mth Low; Industrial Growth Jumps

India's retail inflation slowed more than expected to a 25-month low of 4.25% in May, close to the RBI's target 4% rate. But experts don't expect the central bank to start cutting interest rates any time soon. *(The Economic Times)*

India Set to Grow at 6.5% for Rest of Decade: CEA

Chief economic adviser (CEA) V Anantha Nageswaran said India's economy will grow at 6.5% for the rest of the decade, with an occasional 7% growth in a year or so. *(The Economic Times)*

India's GDP reaches \$3.75 trillion-mark in 2023, says Finance Ministry

India's gross domestic product (GDP) reached the \$3.75 trillion-mark in 2023, from around \$2 trillion in 2014, Finance Minister Nirmala Sitharaman's office said in a tweet on Monday. India has moved from tenth to the fifth-largest economy in the world. *(Business Standard)*

Multi-pronged policy response needed to reignite, sustain growth: RBI Dy Guv M.D. Patra

Reserve Bank of India Deputy Governor M.D. Patra has pitched for a multi-pronged policy response to reignite and sustain productivity and growth at a time when multiple factors which can influence the economy are at work. *(The Hindu)*

India's disinflation process to be slow, protracted, says cenbank chief

The cumulative impact of our monetary policy actions over the last one year is still unfolding and yet to materialise fully," Mr. Das said in a speech at the Summer Meetings organised by Central Banking in London. *(The Hindu)*

May WPI Deflation Hits Near-8-year Low of 3.5%

Wholesale deflation deepened further to a nearly eight-year low of 3.48% in May compared with a 0.92% fall in April, which could with a lag aid further decline in retail inflation. *(The Economic Times)*



Banking and Monetary Policy

Microfinance makes a re-entry into AP and Telangana

At least three small finance banks (SFBs) are evaluating the possibilities of opening MicroFinance Institutions (MFI) centers in the two states. Another large NBFC-MFI is also testing the water said the source and is currently in the process of hiring field staff for the states. By the end of FY24, it's expected that at least eight financial institutions will commence business in the States. *(BusinessLine)*

Indian banks to be resilient, profitable despite global challenges

Credit quality of Indian banks will remain resilient despite a challenging environment globally owing to strong domestic demand, improving credit conditions for borrowers, and strengthened solvency and funding, Moody's Investor Services said. *(BusinessLine)*

Digital loan disbursement volumes bounce back after Q3 de-growth: FACE

According to FACE report, lenders disbursed over 1.9 crore loans during the quarter, 61 per cent higher compared with the corresponding quarter of the previous year. *(BusinessLine)*

RBI may up risk weights on unsecured personal loans

The Reserve Bank of India (RBI) may up the risk weights on unsecured personal loans and outstanding on credit cards to tamp down the strong growth in these segments and curb potential bad loans. *(BusinessLine)*

Net NPAs on course to fall to decadal best this fiscal: Report

The banking sector is on course to report the best asset quality in over a decade this fiscal, with headline gross NPAs and net NPAs falling to 2.63 per cent and 0.83 per cent, respectively, in March 2023, according to Moody's and its arm Icara Ratings. The report expects the healthy profitability trend to continue, primarily driven by strong loan

growth, which it sees to moderate to 11-11.7 per cent this fiscal from 15.5 per cent in fiscal 2023 and a favourable credit environment. *(The Economic Times)*



External Sector

India's trade deficit widens to \$22.12 billion; exports and imports slip in May

India's exports in the month of May declined 10.3 per cent to \$34.98 billion while imports fell 6.6 per cent to \$57.1 billion, government data showed Thursday. Exports have now contracted for the fourth month in a row, after contracting 12.7 per cent in April due to the global demand slowdown, according to the government data. *(The Economic Times)*

Fed's signal of more rate hikes not a big risk factor for economy: CEA

Chief Economic Adviser sees U.S. financial markets pushing back rate cut expectations to 2024 with possibility of spillover to global markets, but sees little risk to Indian economy. *(The Hindu)*

IMF raises issues with Pakistan's FY23-24 budget

The IMF has raised several issues in Pakistan's budget for the fiscal year 2023-24, calling it a "missed opportunity" but expressed its readiness to work with the cash-strapped country to refine the budget ahead of its passage in Parliament. Pakistan's efforts to unlock access to the already agreed \$6.5 billion loan package are in a quagmire as the budget needs to satisfy the global lender to secure the release of more bailout money for the cash-strapped country. *(BusinessLine)*

Sri Lanka lifts import limits on 286 items as crisis eases

Sri Lanka lifted import restrictions on 286 items, the Finance Ministry said, a fresh sign the South Asian nation is starting to emerge from its worst economic crisis in decades. The island off India's southern coast plunged into crisis last year as its foreign exchange reserves ran out. The government limited imports on more than 3,200 items, including seafood, electronics, and even musical instruments. *(BusinessLine)*

US Fed keeps rates unchanged but signals two more potential hikes this year

The US Federal Reserve kept its key interest rate unchanged after having raised it 10 straight times to combat high inflation. But in a surprise move, the Fed signalled that it may raise rates twice more this year, beginning as soon as next month. *(BusinessLine)*

World Bank's new chief wants 'better bank' before pushing for bigger bank

World Bank President Ajay Banga wants to focus on improving the development lender so that he can earn the right to press member countries for more capital, as the new chief looks to expand its role in fighting climate change, pandemics and other crises. *(The Economic Times)*

India, UAE aim to double non-oil trade to \$100 billion

India and the UAE more than doubled their non-petroleum trade target to \$100 billion by 2030, enthused by the growth in bilateral trade in the first 12 months of inking the Comprehensive Economic Partnership Agreement (CEPA). India is hopeful of an early

outcome of talks on the rupee-dirham trade with the UAE, commerce and industry minister Piyush Goyal said. *(The Economic Times)*

Major banks cut China 2023 GDP forecasts as recovery falters

Four major Western banks have cut their 2023 gross domestic product (GDP) growth forecasts for China after May data showed a post-COVID recovery was faltering in the world's second-largest economy. UBS, Standard Chartered, Bank of America (BoA) and JPMorgan now expect China's GDP growth to be between 5.2% and 5.7% this year, down from an earlier range of 5.7% to 6.3%. *(The Economic Times)*

India, China bought 80% of Russia's heavily discounted oil in May: IEA

India and China, the world's top oil users, continued to lap up heavily discounted Russian crude oil, buying as much as 80 per cent of the oil that Moscow exported in May, the International Energy Agency (IEA) said in a report. Russia-origin seaborne crude exports averaged 3.87 million barrels per day in May, the highest since Russia invaded Ukraine in February 2022. *(Business Standard)*



Agriculture and Rural Economy

G20 agriculture ministers' meet in Hyderabad from June 15-17: Kishan Reddy

The crucial G20 Agriculture Ministers' Meeting would be held in Hyderabad from June 15 to 17, Union Tourism Minister G Kishan Reddy said on Monday. Talking to reporters here, he said three meetings of the agriculture working group were held earlier in Indore, Chandigarh and Varanasi. The final meeting is in Hyderabad. Besides India, 29 other countries will participate in the three-day event. *(Business Standard)*

Seeds of stagnation in Bt cotton: Can newer variants impact productivity?

Last month, a meeting of the Genetic Engineering Appraisal Committee (GEAC) decided to seek fresh information from Mahyco on the Bollgard-2 Round-up Ready Flex (BG-2 RRF), a second-generation variant of the genetically modified (GM) Bt cotton seed. Specifically, the GEAC wanted to recheck BG-2 RRF's efficacy claims against certain target-ed pests, including the dreaded pink bollworm. *(Business Standard)*

Farmers call off protest after Hry announces to hike MSP for sunflower crop

In a major win for the protesting farmers, the Manohar Lal Khattar-led Haryana government on Tuesday announced that sunflower seeds will be procured as per minimum support price (MSP) of Rs 6,400 per quintal as demanded by the farmers. The government also announced to withdraw the criminal cases filed against nine arrested farmer leaders. *(Business Standard)*

Agri Min issues draft guidelines for registration of bio-stimulants

The agriculture ministry has come out with draft guidelines specifying efficacy data and trial reports required for registration of various categories of bio-stimulants under Schedule-VI of the FCO Amendment order 2021. It is mandatory for a person who wants to manufacture or import any bio-stimulant to list such bio-stimulant under Schedule VI of the Fertiliser (inorganic, organic or mixed) Control Amendment Order 2021, also called the FCO Amendment order. *(Business Standard)*

Import duty on refined sunflower, soyabean oil reduced to 12.5 per cent

The Central government has reduced the import duty on refined sunflower oil and refined soyabean oil from 17.5 per cent to 12.5 per cent. In a late evening Customs notification on Wednesday, the Government said the new duty structure will be effective from June 15. *(BusinessLine)*

Muted offtake. This kharif season may see a dip in prices of generic agrochemicals

This kharif cropping season is set to see a softening trend in prices of agrochemicals, mainly the generic herbicides and insecticides following the slump in global prices on huge inventories in China, the largest manufacturer of these chemicals, and muted global demand. *(BusinessLine)*

India's tea industry getting drowsy, needs some 'kadak' measures

Nearly half of Darjeeling's tea estates, numbering around 35-40, were up for sale last year as planters were unable to run the operations. Local real estate players were looking to buy these estates, ET had reported. They planned to convert 15% of the estate land to resorts and start tea tourism. *(The Economic Times)*

Bayer signs MoU with Cargill for offering farmers solutions & optimal price realisation

Bayer, a global enterprise in the life science fields of agriculture and healthcare has signed a Memorandum of Understanding (MoU) with Cargill, a global food corporation for offering farmers innovative solutions and facilitating optimal price realization for their produce. *(The Economic Times)*

India to cap sugar exports until H1 2024 as El Nino looms- Govt sources

India is not considering allowing sugar exports until at least the first half of the next season, as the government is worried the El Nino weather pattern could reduce rainfall and dent production, government sources said on Monday. *(The Economic Times)*

First in 15 years: Government puts stock limit on wheat

The central government has imposed stock limits on wheat till March 31 next year to arrest the rising prices of the grain, said food secretary Sanjeev Chopra on Monday. This comes despite the government predicting in the Third Advance Estimate record wheat production of 112.74 mt. The last time a stock limit was imposed on wheat was in 2008. *(The Economic Times)*

Sunflower oil prices fall as Ukraine ships stock to India

Fast-moving consumer goods (FMCG) companies such as Adani Wilmar, Gemini Edibles & Fats India and Tirupati Agritrade said prices of sunflower oil have fallen more than 10% below soybean oil prices as Ukraine is pushing a lot of sunflower oils into the Indian market. Ukraine is also offloading a lot of wheat in the global market, they said, adding this may impact wheat prices in India, which have shot up 10-11% in the past two months. *(The Economic Times)*

Assam government procures 1.16 lakh sexed sorted semen through the state's funds to increase female calf population

Assam chief minister Himanta Biswa Sarma tweeted, "We have set an ambitious target to increase our milk production manifold - pursuing the models of states like Gujarat.

Expanding the animal-based economy will catapult Assam into India's top 5 states. Dedicated many welfare projects towards achieving this goal". *(The Economic Times)*

Poshn launches new platform in food and agriculture segment

Poshn, a leading player in the food and agriculture value chain, has launched a platform that will help match a buyer's procurement demands with the most likely fulfilment partner. The company expects to onboard over three lakh wholesale SME sellers on the new platform in the next 12 months. *(The Economic Times)*

India, ADB sign \$130 million loan agreement to boost horticulture in Himachal Pradesh

In a move to boost agricultural productivity and horticulture agribusinesses, the central government and the Asian Development Bank (ADB) on 8 June signed a loan agreement worth \$130 million, the finance ministry said in a statement on Monday. *(Mint)*

NAFED plans to convert a fifth of its raw chana stocks to dal amid surplus

The National Agricultural Cooperative Marketing Federation of India (Nafed) plans to convert 20% of its raw chana stocks to chana dal (gram or Bengal gram) and supply it in the retail market, two government officials said. The development comes at a time when the government has huge quantities of chana and lower stock of other pulses than strategic buffer requirement. *(Mint)*

Amazon Kisan, Indian Council of Agricultural Research ink pact to empower farmers

Indian Council of Agricultural Research (ICAR) and Amazon Kisan have joined hands to guide farmers on scientific cultivation of different crops for optimum yield and income. *(Mint)*



Industry, Manufacturing, Services and Technology

Industrial output grew 4.2% in April, rose from 5-month low in March

Industrial output grew 4.2% in April, rising from a five-month low in March, with electricity generation contracting for the second month in a row, even as manufacturing and mining grew about 5% in the month. *(The Hindu)*

India earned \$7.4 billion through medical tourism in last decade: Officials

India generated an income of \$7.4 billion through medical tourism over the last decade, and the figure is expected to rise to \$43.5 billion in the next 10 years, officials said. The health sector in India has seen many private investments in the past five years, they said on Wednesday at the Indian Chamber of Commerce-organised BIMSTEC Health Forum here. *(BusinessLine)*

No change in quality control norms deadline for 24 footwear products, says Goyal

There will be no extension of deadline for implementation of quality control orders (QCOs) for 24 footwear products, which come into force on July 1, 2023, Commerce and Industry Minister Piyush Goyal has said. "We have decided that the QCOs will be implemented from July 1. *(BusinessLine)*

FAME-II subsidy cut likely to disrupt EV sector growth: SMEV writes to NGT

The Society of Manufacturers of Electric Vehicles (SMEV) petitioned the National Green Tribunal (NGT) expressing concerns that the Ministry of Heavy Industries (MHI's) latest decision to cut down FAME-II subsidies is likely to disrupt India's growth in the EV sector and consequently have a detrimental impact on the environmental and health indices of the country. *(BusinessLine)*

Attrition of women in IT sector doubled compared to men since December

Female attrition has doubled compared to male attrition in India's technology industry since December, as more companies began requiring employees to return to office, data from recruiters and exit interview firms show. Women in mid-career roles (aged 30-40 years) leave the most due to the extra burden of childcare and domestic responsibilities, it added. *(Business Standard)*

Power Ministry asks imported coal-based plants to run at full capacity till September 30

The Ministry of Power on June 12 extended the time period of its direction to all thermal plants using imported coal to operate at full capacity by three-and-a-half months till September 30 to avoid electricity shortage amid rising demand in the country. Peak power demand met or the highest supply in a day touched a record high of 223.23 GW on June 9, 2023. *(The Hindu)*

India, China bought 80% of Russia's oil in May: International Energy Agency

India and China, the world's top oil users, continued to lap up heavily discounted Russian crude oil, buying as much as 80% of the oil that Moscow exported in May, the International Energy Agency (IEA) said in a report. India has increased purchases from almost nothing to close to 2 million barrels per day, while China has raised liftings by 5,00,000 barrels per day to 2.2 million barrels per day. *(The Hindu)*

Rural India revving up 2-wheeler demand; industry sees double-digit sales growth in FY24

Two-wheeler sales to grow in double digits this fiscal year, largely driven by pent-up demand in rural areas that account for about 55% of two-wheeler sales in the country. Better agricultural output, availability of water for irrigation because of healthy reservoir levels, an increase in minimum support price (MSP) of kharif crop announced last week, and government spending on rural development all will help increase disposable income and further improve consumer sentiment in rural India. *(The Economic Times)*



News on Kerala

WB team holds talks with Kerala Bank on assistance for KERA project

A team comprising officials from the World Bank visited the Kerala Bank headquarters here on Tuesday and held discussions on the KERA project aimed at ensuring Kerala's food and nutritional security through climate-resilient farming systems and value addition of food crops. *(The Hindu)*

KSRTC launches courier and logistics service

The State-owned Kerala State Road Transport Corporation (KSRTC) has decided to make some extra revenue from its seamless services connecting various depots across and outside the State. *(The Hindu)*

Survey of the elderly soon: Minister

The Social Justice department will begin a survey of the elderly soon, Minister for Social Justice R. Bindu has said. *(The Hindu)*

Cuba to cooperate with Kerala in health and sports sectors

Cuba has evinced interest in collaborating with Kerala in the health and sports sectors, according to a press release issued by the Chief Minister's Office (CMO). *(The Hindu)*

Kerala initiates steps for inter-university student transfers

Inter-university transfer could soon become a reality for higher education students in the State. The government has commenced preparatory steps for crucial reforms, including the creation of an academic bank of credits, credit transfer, and enabling lateral entry for dropouts. *(The Hindu)*

Cabinet clears 14th Five-year Plan approach paper

The Cabinet has cleared the approach paper for the 14th Five-year Plan (2022-27). It aims to transform Kerala into a modern economy founded on democratic values, sustainable development, social welfare, and scientific temper. *(The Hindu)*

Coir sector crisis: expert committee submits interim report

The report contains several recommendations regarding coconut husk procurement, production of coconut fibre, coir spinning sector, coir products manufacturing sector, export, small-scale sector, public sector undertakings, societies, prospects of coir geotextiles, Coir Board, mechanisation, and so on. *(The Hindu)*

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