



## Public Finance

### States achieve 84% of capex budget, 4 exceed target amount: CAG data

The provisional accounts of 25 states for the year FY24 showed they achieved 84 per cent of the budgeted capital expenditure, with the exception of four states, including Uttar Pradesh, Telangana, Bihar, and Sikkim, spending more than the targeted amount, according to data by the Comptroller and Auditor General of India (CAG). These states had budgeted a capital expenditure (capex) programme of Rs 8.37 trillion for FY24. The provisional amount spent was Rs 7.02 trillion. Experts said that not having enough projects to implement could have also caused this shortfall in meeting the budgeted capex target. (*Business Standard*)

### Fiscal deficit may fall below revised estimate of 5.8%

The Indian government's fiscal deficit could be slightly lower than revised estimates of 5.8% of GDP due to robust revenues and lower subsidy outgo. Tax revenues could exceed the revised estimate by ₹27,000 crore. The fiscal deficit in absolute terms is pegged at ₹ 17.3 lakh crore. Direct tax receipts are expected to exceed revised estimates by about Rs 14,000 crore, while indirect revenues, including customs and excise duty, by Rs 13,000 crore. (*The Economic Times*)



## Taxation

### LTCG liability to ease on cost inflation reset

Central Board of Direct Taxes (CBDT) notifies cost inflation index (CII) for 2024-25 at 363, a 4.3% rise from FY24's 348; tax liability on the sale or transfer of any capital asset, such as land, property, trademarks and patents expected to be lower this year as a result of the reset of the CII. The CII number assists in determining the long-term capital gains on which an assessee is required to pay taxes when she/he files income tax returns the following year. (*The Hindu*)

### Increase in personal income tax due to dividend income: Report

Taxes paid on dividend income accounted for 60-65% of the surge in personal income tax during the last four years, a report by Motilal Oswal said. According to the report, the dividend tax explains the strong growth in personal income tax even as personal disposable income growth has moderated in recent years. Income taxes paid by entities other than corporations (personal income taxes) have increased at a compounded rate of 20% during FY21-24. (*The Economic Times*)

### Tax dispute intensifies over marketing and ad expenses of MNC subsidiaries

Expenses incurred by the Indian subsidiaries of multinational corporations on advertising, marketing and promotion (AMP) have become a controversial issue

regarding their taxability. The tax authorities argue that these AMP expenses incurred by these subsidiaries enhance the value of trademarks or brands owned by the foreign parent entities. *(Business Standard)*



## National Accounts and State of the Economy

### **GDP growth robust on back of healthy balance sheets of banks, says RBI**

India's GDP growth is robust on the back of solid investment demand which is supported by healthy balance sheets of banks and corporates, the government's focus on capital expenditure and prudent monetary, regulatory and fiscal policies, the RBI said on Thursday. The Reserve Bank's Annual Report for 2023-24 said that the Indian economy is navigating the drag from an adverse global macroeconomic and financial environment. *(Business Standard)*

### **S&P Global will likely raise India's rating within 2 years, says Citi**

Citi expects S&P Global Ratings to upgrade India's sovereign rating by late 2026 given the ratings agency's confidence in the South Asian nation's macro drivers as well as the flow of economic and political cycles, it said on Thursday. S&P raised India's sovereign rating outlook to 'positive' from 'stable' on Wednesday, citing the country's strong economic fundamentals. It, however, kept the rating itself at 'BBB-'. *(Business Standard)*

### **New non-farm jobs in Q2FY23: Higher than Q1 but below Omicron-hit Q4FY22**

Fresh job creation in the nine major non-farm sectors recovered sequentially in the September quarter of FY23 but remained below new job additions during the Omicron-hit March quarter of FY22, according to latest government data. However, during the first half (April-September) of FY23, the number of new hirings more than halved to 331,221 compared to H2 of FY22 at 740,415. The Labour Bureau on Tuesday released the Quarterly Employment Survey (QES) results for the fifth and sixth rounds, pertaining to Q1 and Q2 of FY23 after a gap of nearly 20 months. *(Business Standard)*

### **India to stick to policy path whether PM Modi wins 3rd term or not: Rajan**

India will likely maintain its economic policy trajectory whether Prime Minister Narendra Modi wins a third term in office or not, former central bank Governor Raghuram Rajan said. "There is a lot of continuity built into Indian policy," Rajan said in an interview Tuesday with Bloomberg TV's David Ingles. "Whatever government comes in will take a lot of the good stuff that has been done and continue it." Rajan, now a professor of finance at the University of Chicago Booth School of Business, was speaking on the sidelines of the UBS Asian Investment Conference in Hong Kong. *(Business Standard)*

### **Rising price of staples fueled India's inflation the most in FY24, says RBI report**

The increased prices in the food and beverages category became the major driver of India's inflation in FY24, the Reserve Bank of India (RBI) stated in its annual report. The contribution of F&B category to headline inflation increased to 60.3 per cent during 2023-24 from 46 per cent a year ago, as per the report. It further stated that the food inflation remains vulnerable to recurring supply shocks which are preventing a quicker alignment of headline inflation with the target (4 per cent). *(The Economic Times)*

## India's growth set to get more broad-based, says Morgan Stanley; pegs 6.8% for 2024

Growth in India, which already is strong and surging, may become more broad-based across both on the consumer and business spending side, indicated Morgan Stanley. The global investment bank, in its latest report '2024 Global Economic Midyear Outlook', attributed India's firm growth to three megatrends -- global offshoring, digitalization, and energy transition. *(The Economic Times)*

## India's FDI inflows drop 3% to \$44 b in FY24; manufacturing sector down 18%

According to the latest data released by the government, foreign direct investment (FDI) equity inflows in India decreased by 3.49 per cent in FY24 to \$44.42 billion. Reduced investments in sectors such as services, computer hardware and software, telecom, auto, and pharma, are being attributed as the primary reasons for the slump. In FY23, FDI equity inflow was recorded at \$46.03 billion. This is the second consecutive year of FDI decline as equity inflows had declined by 22 per cent in FY23 compared to FY22. *(Business Standard)*



## Banking and Monetary Policy

### RBI's income rises 17% to ₹2.75 lakh cr., spending falls 56%

The Reserve Bank of India (RBI) reported a 17% increase in FY24 income to ₹2,75,572.32 crore. Expenditure shrank 56.3% to ₹64,694.33 crore, from ₹1,48,037.04 crore in FY23, the RBI said in its annual report on Thursday. The sharp drop in spending helped the RBI end the year with a transferable surplus of ₹2,10,873.99 crore, as against ₹87,416.22 crore in the previous year. *(The Hindu)*.

### IBC rescued 3,171 distressed companies in eight years: Sitharaman

Finance minister Nirmala Sitharaman on Thursday said the Insolvency and Bankruptcy Code (IBC) has rescued 3,171 distressed companies and assisted in the shutdown of unviable firms since its introduction eight years ago. This is a marked improvement from the resolution of stress in less than 3,500 firms under the erstwhile Board of Industrial and Financial Reconstruction (BIFR) regime in 30 years, she said, pitching the IBC as a landmark piece of legislation. *(The Economic Times)*

### RBI to allow opening of rupee account outside India

The Reserve Bank of India (RBI) on Thursday allowed the opening of rupee accounts outside India as part of its strategic action plan to internationalise the domestic currency. With emphasis on continuous synchronisation of the FEMA operating framework with the evolving macroeconomic environment, rationalisation of various guidelines will be of primary focus, the central bank said in its annual report. *(The Economic Times)*

### RBI's dividend transfer may ease deposit rates if govt spends it: Ind-Ra

India Ratings and Research (Ind-Ra) on Thursday said the Rs 2.11 lakh crore dividend transfer by the RBI is likely to ease liquidity pressure and bring down deposit rates in the banking system if the government spends the amount. It said the mega dividend will give a fillip to the central government's fiscal position, which may lead to additional spending or fiscal consolidation or a combination of both. However, the structural challenges for

banks in terms of deposit accretion will continue in the medium to long term. *(The Economic Times)*

### **Reduce reliance on wholesale deposits to fund loans: RBI to banks**

The Reserve Bank of India (RBI) Thursday said that banks must reduce their reliance on wholesale deposits to fund loans, and be watchful of the risks associated with their advances and trading exposures amid interest rate fluctuations. "Considering the dynamic nature of the interest rate risk, banks may have to address both trading and banking book risks, especially in the light of moderating net inter margins," the RBI said in its annual report for FY24 Thursday. *(The Economic Times)*

### **Bank frauds up nearly 300% in last two years, digital frauds up 708%: RBI**

An analysis of frauds reported across banks has shown that the number of fraud cases reported in FY24 were 36,075, up nearly 300 per cent from the 9,046 cases reported in FY22. However, the amount involved has fallen from Rs 45,358 crore to Rs 13,930 crore, the central bank said in its annual report for FY24 on Thursday. There was a 46.7 per cent drop in the amount involved in total frauds reported during FY24, on an annual basis. RBI noted that while private sector banks reported the maximum number of frauds over the last three years, the public sector banks contributed maximum to the fraud amount. *(The Economic Times)*

### **Capital and asset quality of banks, NBFCs remain healthy, says RBI in its annual report**

The Reserve Bank of India (RBI) on Thursday released its annual report stating that the capital and asset quality of banks and NBFCs have remained healthy, supporting the growth in bank credit and domestic activity in FY24. It said that the pre-emptive regulatory measures aimed at curbing excessive consumer lending and bank lending to NBFCs, and investments in alternative investment funds (AIFs) are expected to contain the build-up of potential stress in balance sheets of financial intermediaries and contribute to financial stability. *(The Economic Times)*

### **Banks seek one more month to comply with international card spend rule**

Lenders have sought a one-month extension from the government to comply with the Liberalised Remittance Scheme (LRS) for international credit card spends, said people familiar with the matter. The scheme allows Indian residents to remit up to \$250,000 abroad in a financial year for permissible purposes such as education, travel and investment. Last year, the government announced that forex transactions through credit cards would be covered under the scheme and charged 20% tax collected at source (TCS) beyond the threshold of ₹7 lakh per fiscal. *(The Economic Times)*

### **Large Indian banks are expected to improve their asset quality in the current fiscal: S&P**

India's largest banks are poised to improve their asset quality in the current fiscal year, bolstered by record net incomes that will enable them to enhance their balance sheets and underwriting standards, according to an analysis by S&P Global Market Intelligence. The cumulative nonperforming loans (NPLs) of India's three largest private and three largest public banks fell to 2.483 trillion Indian rupees in the 12 months ending March 31, marking an 11 percent decrease from the previous year's Rs 2.791 trillion. *(The Economic Times)*

## **RBI Guv Shaktikanta Das launches PRAVAAH, Retail Direct mobile app and FinTech Repository**

The Reserve Bank of India (RBI) on Tuesday launched three major initiatives namely the PRAVAAH portal, RBI Retail Direct mobile application and FinTech Repository as earlier announced in April 2023, April 2024 and December 2023 respectively. The said initiatives, aimed at enhancing regulatory processes, facilitating retail investment, and providing comprehensive data on the fintech sector, were launched by Governor Shaktikanta Das in presence of several leaders from the industry. *(The Economic Times)*

## **Bank credit growth rate expected to moderate: Crisil**

Bank credit growth rate is expected to moderate as high base effect, slower rate of economic growth, and higher capital requirements could temper demand, said a report by Crisil Ratings. The overall bank credit growth rate is expected to decline by 200 basis points to 14% from 16 percent. A basis point is 0.01 percentage point. Corporate credit, the largest segment, will be supported by capacity expansion, while retail credit will grow the fastest, the report said. *(The Economic Times)*

## **Credit costs expected to increase if RBI's proposed norms for projects under construction implemented**

Credit costs are expected to moderately increase impacting profitability and loss of accounts for banks if the Reserve Bank of India's proposed provisioning norms for projects under construction are implemented. The impact of incremental provisioning for public banks would be 0.2% and 0.1% on private banks between FY25 and FY27, said a report by CareEdge Ratings. *(The Economic Times)*

## **PSBs seek changes to rules for Infra loans, may approach govt**

State-owned lenders plan to approach the government seeking changes to terms governing performance bank guarantees (PBGs), timely compensation from concessioning authorities, and greater immunity for board members sanctioning funds for infrastructure projects as they firm up their response to Reserve Bank of India (RBI) draft rules on project financing that call for higher provisioning. *(The Economic Times)*



## **External Sector**

### **EU carbon tariff: India preps for a fight at WTO**

India is considering a challenge against the European Union's Carbon Border Adjustment Mechanism (CBAM) at the World Trade Organization, ET has learnt. CBAM mandates non-EU steel producers to report direct and indirect emissions. New Delhi sees it as a unilateral move that would be detrimental for its iron and steel, cement, aluminium, electricity, and hydrogen sectors, and is eyeing multiple actions to deal with it, officials said. *(The Economic Times)*

### **Exports of marine products drop 9% to \$7.37 billion in 2023-24**

According to exporters, demand slowdown, high inflation in developed economies and increasing exports of frozen shrimp from Ecuador to America are some of the reasons for dip in India's exports last fiscal. Leading exporters from the sector Yogesh Gupta, Managing Director, Megaa Moda, said that as the US has imposed anti-dumping duty on Ecuador, "our products would now compete and increase exports". *(The Economic Times)*



### **Commerce ministry working on standard operating procedure for FTA negotiation**

The commerce ministry recently conducted a 'Chintan Shivir' in Rajasthan's Neemrana to discuss issues related to Free Trade Agreements (FTAs). The event included deliberations on standard operating procedures (SoPs) for FTA negotiations, capacity building, and addressing contemporary issues like labor, environment, and gender. Participants emphasised the importance of economic assessment, digital trade challenges, and interdisciplinary support for successful negotiations. They highlighted the need for expertise in law, economics, data analytics, and industry-specific knowledge. (*The Economic Times*)

### **India reduces steel trade deficit on the back of better exports, stable imports**

India's steel trade deficit has come down to ₹10,411 crore (\$1,258 million) for the April-February period, down 10 per cent sequentially, on the back of improving exports, and stable imports during February. Trade deficit was ₹11,564 crore in the April-January period of the fiscal. Import of finished steel stood at 7.6 million tonnes (mt), and was valued at ₹63,432 crore (\$7,663 million) while exports were at 6.6 mt and valued at ₹53,021 crore (\$6,405 million). India was a net importer, with shipments coming-in exceeding outbound shipments by nearly 1 mt. (*BusinessLine*)

### **Cochin International Airport can now import drugs, cosmetics**

The Union Ministry of Health and Family Welfare has issued a gazette notification enlisting Cochin International Airport Limited (CIAL) as an authorized airport for import of drugs and cosmetics, by amending the Drugs & Cosmetics Act (1940). CIAL, thus became one of the 11 airports in the country enjoying this facility. Previously, life-saving drugs and other essential medications were only carried in limited quantities through the airport, that too, through special permission. However, now large stockists have the option to directly import drugs and cosmetics via Cochin Airport. (*BusinessLine*)

### **India hasn't proposed FTA with Maldives but is open to it: MEA**

India has not made any proposal for entering into a Free Trade Agreement (FTA) with the Maldives but will "surely" look at the possibility of the island nation was considering such a pact, said Ministry of External Affairs (MEA). "We have seen some reports about the Maldivian Minister (Economic) speaking about we (India) offering an FTA. We haven't done so. But if Maldives wants to come up with (a proposal) ...if they are considering an FTA with us, we will surely look into it," said MEA Spokesperson Randhir Jaiswal. (*BusinessLine*)



## **Agriculture and Rural Economy**

### **RBI annual report 2023-2024: MSPs for kharif and rabi crops ensured minimum return of 50% over cost of production**

The Minimum Support prices (MSPs) for both kharif and rabi seasons 2023-24 ensured a minimum return of 50% over the cost of production for all crops, said the Reserve Bank's Annual Report released on May 30. The overall public stock of foodgrains as on March 31, 2024 stood at 2.9 times the total quarterly buffer norm, the report said. (*The Hindu*).

### **TANSAA to help augment agriculture development**

In order to improve the financial condition of numerous people, who are involved in agricultural related activities, the Tamil Nadu Senior Agro Technologists' Association (TANSAA) has planned to join hands with Micro, Small & Medium Enterprises (MSME), National Bank for Agriculture & Rural Development (NABARD) and Tamil Nadu Skill Development Corporation (TNSDC). *(The Hindu)*

### **India set for wheat imports after six years, to shore up reserves**

India is poised to begin wheat imports after a six-year gap, to replenish depleted reserves and hold down prices that leaped following three years of disappointing crops, sources say, as the approaching end of general elections removes a key hurdle. New Delhi is expected to abandon a 40% tax on wheat imports this year, officials and other sources told Reuters, paving the way for private traders and flour millers to buy from producers such as top exporter Russia, albeit in modest volumes. As the new-season wheat harvest rolls in, the government is likely to wait until after June to scrap the import tax, in time for Russia's harvest, the sources said. *(The Economic Times)*

### **June sugar quota higher by 8.5% y-o-y as prices stay firm amid heat waves**

The central government announced a quota of 25.5 lakh tonnes of sugar for the sugar mills for the month of June, which is higher by 8.5% over June 2023. The Department of Food and Public Distribution announced the monthly sale quota for sugar on May 28. The quota for June 2023 was 23.5 lakh tonnes. It had announced a higher quota of 27 lakh tonnes for May 2024, which was higher by 3 lakh tonnes or 12.5% over May 2023. *(The Economic Times)*

### **Sugar exports to depend on monsoon, cane sowing in 2024-25**

India may allow sugar exports after assessing the final sugarcane sowing and output in the 2024-25 season, as the world's biggest producer after Brazil is expecting a lower sugar output of 30 million tonnes next season, sources said. For the current 2023-24 season ending September, sugar production has reached 31.5 million tonnes so far, with the final output likely to touch 31.8 million tonnes as mills in Tamil Nadu and Karnataka wrap up crushing, the sources added. *(The Economic Times)*

### **Basmati rice export prices plummet below government MEP, global buyers stay away**

The export price of basmati rice has fallen way below the government-fixed minimum export price of \$950 per tonne to \$800-\$850 per tonne, and despite the low prices, there are few global buyers. Domestic prices too have fallen from Rs 75 per kg to Rs 65 per kg on low export offtake. Exporters said importing countries had bought good quantities of basmati rice from India in a hurry following the uncertainty created by the government by once increasing the MEP to \$1200 per tonne last August and then bringing it down to \$950 per tonne in October, two large exporters said. *(The Economic Times)*



## **Industry, Manufacturing, Services and Technology**

### **Rooftop solar installations fall 26% to 367 MW in January-March: Report**

Rooftop solar capacity installations in India registered a 26 per cent year-on-year decline to at 367 megawatts during January-March period, mainly on account of rise in input cost,

according to Mercom Capital. The country had witnessed 485 megawatt (MW) of rooftop solar installations during the first quarter of 2023, the research firm said in a report on Friday. *(The Economic Times)*

### **Anti-diabetic drugs lead growth in pharmaceuticals market**

Anti-diabetic drugs are leading the growth in the pharmaceuticals market, posting the highest value growth of over ₹155 crore among the new brands launched in the last 12 months. The respiratory segment, which clocked sales of ₹152.9 crore from 223 new brands in the 12 months ended April, came second, followed by vitamin/mineral/nutrients with ₹144.4 crore from 467 brands, data from market research firm IQVIA showed. *(The Economic Times)*

### **India's pharma export sales to grow faster this year**

India's pharmaceutical export sales growth is expected to pick up to nearly 11% this fiscal year, from a roughly 10% increase last year, led by the key U.S. and UK markets, a government-backed trade body said on Thursday. *(The Economic Times)*

### **Govt planning new way to save you from bank and other financial scams**

As cases of phone call scams rises, the Department of Telecom (DoT) has introduced a new tool to identify genuine calls from those made by fraudsters. The department has allocated a dedicated 10-digit numbering series starting with 160 for service and transactional calls made by government, regulators and financial entities, reported ToI. *(The Economic Times)*

### **Car dealers may end up with ₹44,000 crore worth of inventory as demand cools off**

Carmakers expect to face a record stockpile of 400,000 vehicles worth ₹44,000 crore by this month-end as demand cools in India after a 3-year run of scorching sales. With car despatches to dealers outpacing demand, passenger vehicle registrations, taken as a proxy for retail sales, are also expected to fall by 5% in May from a year earlier. The likely decline - 2nd this year - comes amid election-related uncertainties, completion of marriage season, and heat waves in several key markets especially Delhi NCR, said industry executives. *(The Economic Times)*

### **Hybrid vehicles aren't just bridge to EVs, Ford chief says**

Ford CEO Jim Farley wants the industry to stop viewing hybrid vehicles as only an interim solution to be used until drivers are comfortable going fully electric. "We should stop talking about it as transitional technology," Farley said of hybrids at a Bernstein analyst conference on Thursday. *(The Economic Times)*

### **DoT dials cops to stop network gear theft**

The Department of Telecommunications (DoT) has called on its enforcement units to alert all state police departments across India to clamp down on the rampant theft of critical network gear that has already triggered around Rs 800 crore of losses for telcos, disrupted 4G/5G expansions and impacted quality of mobile coverage. *(The Economic Times)*

### **Steel demand to stay robust as infra spend to rise 11% in FY25 irrespective of Lok Sabha election outcome: S&P Global**

India's domestic steel demand is expected to remain robust for the next 10 years, driven by infrastructure investments. Irrespective of the outcome of the ongoing high-stakes Lok Sabha election, spending on infrastructure—which accounts for 25-30 per cent of steel



demand—is expected to go up by 11 per cent year on year in the fiscal year 2024-2025. *(Mint)*

### **Vietnamese steel, shoes and other imports get stuck in India's quality red tape**

More than two dozen Vietnamese companies have been awaiting certification from the Bureau of Indian Standards for several months now, prompting Hanoi to raise the issue with the Indian government multiple times, according to two officials aware of the development. *(Mint)*

### **DoT directs telcos to act against international scam callers**

The Department of Telecommunications (DoT) said on Sunday that it is collaborating with telecom service providers to block scam calls originating from outside India. This initiative follows the launch of a cyber crime reporting portal by the Centre on 4 March to address the growing issue of scam calls nationwide. *(Mint)*

### **Peak power demand hits new high of 250 GW**

India's peak electricity demand touched a new high of 250 GW on Thursday as the temperatures rose across states, according to data provided by the power ministry. At this level, the peak power demand had already crossed last year's peak of 243.3 GW recorded in September. Meanwhile, power demand during the non-solar hours too reached an all-time high of 234.3 GW on Wednesday across the country. *(Financial Express)*

### **Display manufacturing needs special attention, says ICEA**

The India Cellular and Electronics Association (ICEA) on Tuesday said display manufacturing in the country needs special attention as India is currently the third-largest consumer of display products. *(Financial Express)*

### **Telcos seek six-year moratorium on new spectrum purchase**

Bharti Airtel, Reliance Jio, and Vodafone Idea have sought a 5-6 year interest-free payment gap or moratorium on the spectrum bought in auctions in 2025 and beyond. Spectrum is leased to operators for a 20-year period, so this means, the operators want that they pay for only 14-15 years in equal, annual installments. *(Financial Express)*

### **Centre harming tourism, industry in H.P., says Priyanka**

Congress leader Priyanka Gandhi Vadra on Wednesday accused the BJP government at the Centre of harming small and medium businesses, including the tourism sector, in Himachal Pradesh. Claiming that demonetisation and GST implementation hit the tourism industry of the State, she promised to strengthen the sector with a focus on small and medium businesses if the Congress was voted to power in the Lok Sabha election. *(The Hindu)*.

### **At extremely high strain rate, copper surprises with the strength of steel**

The discovery of steel transformed the course of human civilisation. The stone age ended with the invention and widespread use of copper smelting and alloying copper with other elements, thus introducing metalworking, new and more durable agricultural implements, the development of culture, trade, and governments, and new weapons of war. When heated, copper turns to liquid, after which it can be moulded into a desired shape. *(The Hindu)*.

### **Start-up Agnikul launches world's first rocket with fully 3D-printed engine**

The Chennai-headquartered space start-up Agnikul Cosmos Private Ltd. launched the world's first rocket — Agnibaan Sub Orbital Technology Demonstrator (SOrTeD) — with a single-piece 3D-printed engine from Sriharikota at 7.15 a.m. on Thursday. Agnibaan SOrTeD is India's first launch from a private launchpad, called 'Dhanush', established by Agnikul. It is also India's first semi-cryogenic engine-powered rocket launch and the world's first single-piece 3D-printed engine designed and built indigenously. *(The Hindu)*.

### **EU creates 'AI Office' to regulate technology under tough new law**

The European Union on Wednesday announced the creation of an "AI Office" of tech experts, lawyers and economists to regulate artificial intelligence under a sweeping new law. The EU this year approved the world's first comprehensive rules to govern AI, especially powerful systems like ChatGPT after intense talks. *(The Hindu)*.

### **TCS, IIT Bombay to work on advanced chip-sensing tool**

Tata Consultancy Services Ltd. (TCS) said it had entered into a tie up with Indian Institute of Technology, Bombay (IIT-Bombay) to develop what it called India's first Quantum Diamond Microchip Imager. "This advanced sensing tool will hold the potential to unlock new levels of precision in the examination of semiconductor chips, reduce chip failures and improve the energy efficiency of electronic devices," the company said in a statement. *(The Hindu)*.

### **Industrial Investment Trust reports consolidated net profit of Rs 25.26 crore in the March 2024 quarter**

Net profit of Industrial Investment Trust reported to Rs 25.26 crore in the quarter ended March 2024 as against net loss of Rs 6.49 crore during the previous quarter ended March 2023. Sales rose 9226.32% to Rs 17.72 crore in the quarter ended March 2024 as against Rs 0.19 crore during the previous quarter ended March 2023. For the full year, net profit rose 44.33% to Rs 64.86 crore in the year ended March 2024 as against Rs 44.94 crore during the previous year ended March 2023. *(Business Standard)*

### **India needs wider range of semiconductor suppliers, says industry expert**

India will have to attract a wider range of semiconductor suppliers to succeed in building a robust chip industry in the country, according to the leader of an influential trade association. "They need to really increase the emphasis on the ecosystem because, without an ecosystem, growth will be limited," Ajit Manocha, president and chief executive officer of the trade group SEMI, said in an interview on Thursday. *(Business Standard)*

### **South Korea to detail tax incentives aimed at supporting chip industry**

South Korea's finance minister said authorities would put forward detailed tax incentives under corporate reforms aimed at boosting the value of listed companies after seeking more feedback from market participants in coming months. Minister Choi Sang-mok also pledged in a media pool report released on Tuesday that the government would continue efforts to support the country's crucial chip industry. *(Business Standard)*

### **General insurance industry set for robust growth, GDPI to reach ₹3.7 lakh crore by 2025-26**

Rating agency ICRA expects a strong show by the general insurance industry in the next few years. Gross Direct Premium Income (GDPI) is estimated to touch ₹3.7 lakh crore by 2025-26, a 32 per cent rise from ₹2.8 lakh crore GDPI achieved in 2023-24. While the growth for private insurers' is expected to remain strong, that of PSU insurers is likely to

remain moderate because of the weak capital position, ICRA has said. The profitability for private insurers is likely to improve, supported by better underwriting performance, it added. (*BusinessLine*)



## News on Kerala

### **Kerala govt. includes AI in Class 7 textbook**

Close on the heels of conducting artificial intelligence (AI) training for secondary school teachers during the summer holidays, Kerala has made another significant stride in embracing this rapidly evolving technology by including AI in the school syllabus. AI has been integrated into the information and communications technology (ICT) textbook of Class 7 in the new academic year. One of the activities in the 'Computer Vision' chapter will involve students creating (*The Hindu*).

### **Kerala flood mitigation model: Nod for Rs 9-cr work in TVM, Kochi just 6 days before monsoon**

Three days before copious summer showers triggered flash floods in Kochi and Thiruvananthapuram, Kerala's disaster management department issued a set of orders sanctioning works to the tune of Rs 9 crore anticipating flood situation. The timing of the orders warrants interest because on May 15, the Indian Meteorological Department (IMD) announced monsoon onset over Kerala on May 31 (*Onmanorama*).

### **Nearly 15,000 Kerala govt employees to retire by May 31, no action for new appointments**

Approximately 15,000 employees will retire from government service on Thursday and Friday. Procedures for new appointments have been temporarily halted as part of the reorganisation in each department to reduce the number of employees. Also an amount of Rs 7,500 crore is required to provide benefits to retiring government employees for this month and the next. The government borrowed Rs 3,500 crore on Tuesday to pay these benefits and this month's salaries (*Onmanorama*).

### **Solar power: KSEB mulls paying 'prosumers' 42 paise more per unit**

In a significant relief to 'prosumers' (consumers who produce and supply solar power to the grid), the Kerala State Electricity Board (KSEB) is likely to pay 42 paise more per unit (*Onmanorama*).

### **Kerala Welfare Pension: Beneficiaries likely to get Rs 1,600 next week**

The beneficiaries of Kerala social security and welfare pension schemes are likely to get a month's pension of Rs 1,600 from Wednesday. The government on Saturday allotted Rs 900 crore for settling the arrear for November. Currently, the government has to settle arrears of six months (*Onmanorama*).

### **After a punishing summer, the government formed a tech committee to study river water use and finance**

The state government has constituted an eight member technical committee to study optimum utilisation of water resources and financial aspects of river water projects in the state. The committee has been constituted following a recommendation from the vice-chairperson of the state planning board (*Onmanorama*).

### **Kerala govt decides to form 9 more RRTs to curb human-wildlife conflicts**

The Kerala government on Wednesday decided to constitute nine more Rapid Response Teams (RRTs) to mitigate human-wildlife conflicts in the state. The decision to set up additional RRTs comes in the wake of animal attacks in the state, especially in areas close to forests, by elephants and tigers that claimed a few lives earlier this year (*Mathrubhumi English*).

### **Evaluation for school exams: Kerala to introduce new reforms**

The general education department in Kerala is poised to implement significant changes in student assessment methods. This initiative follows the government's decision to introduce minimum marks for the SSLC written exam. Continuous Evaluation (CE) from classes 1 to 10 will be streamlined, adopting a system akin to the Holistic Profile Card (HPC) used in NCERT evaluations (*Mathrubhumi English*).

### **Centre sanctions Rs 21,253 crore to tackle Kerala's economic crisis**

Prime Minister Narendra Modi has come forward to assist Kerala in a bid to alleviate the state from the economic crisis as the Centre has sanctioned borrowings up to Rs 21,253 crores. The move comes as Kerala grapples with various economic challenges, including salary delays for government employees and stalled development projects (*The Economic Times*).

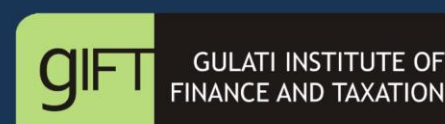
### **KSEB exploring cost-effective methods to build small hydroelectric projects**

With small hydroelectric projects (SHEP) becoming increasingly expensive to build, the Kerala State Electricity Board (KSEB) is looking at ways to cut down their cost and make them viable. In order to achieve this, the power utility has adopted a handbook on 'Guidelines for Cost-Effective Implementation of Small Hydroelectric Projects - May 2024' and also constituted a ten-member committee of engineers to keep the hand book updated with the latest cost-effective technologies (*The Hindu*).

### **'Keravan Kerala' project to adopt hybrid model, says Kerala Tourism**

Faced with criticism over 'Keravan Kerala', the caravan tourism project launched in 2021, not faring as well as expected, Kerala Tourism says the project is on track and ₹3.10 crore has been earmarked in the 2024-25 Budget. It received good response from stakeholders and the government had provided ₹97.50 lakh as subsidy to 13 entrepreneurs who entered into contract with the Tourism department for purchasing caravans. Each entrepreneur got ₹7.5 lakh in this regard (*The Hindu*).

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



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