



Public Finance

Govt's divestment plan to push fundraising activities in FY26: Emkay Global

Emkay Global Financial Services' CEO, Yatin Singh, predicts that the Indian government's divestment plan will boost fundraising in FY26 due to slowed deal-making activity. The Department of Investment and Public Asset Management (DIPAM) has set a divestment target of Rs 47,000 crore for FY26, indicating the public sector is becoming a material client for investment banks. *(The Economic Times)*

Finance Minister Thennarasu defends government's borrowings, says they are being spent on capex, public welfare

Defending the Tamil Nadu government's borrowings, Finance Minister Thangam Thennarasu informed the Assembly on Monday that they were being spent on capital expenditure (capex) and public welfare measures, which he called "social investment". In response to the concern voiced by AIADMK member K.P. Munusamy over the borrowings, Mr. Thennarasu reiterated that the borrowings were well within the stipulated limit. The borrowings under the DMK government since 2021 had been lower than those under the AIADMK government, he pointed out. *(The Hindu)*

Government e-Marketplace surpasses Rs 5 lakh crore GMV before FY25 end

The Government e-Marketplace (GeM) has achieved a significant milestone by surpassing ₹5 lakh crore in Gross Merchandise Value (GMV) on its portal, more than 18 days before the close of the financial year 2024-25, as per the Ministry of Commerce & Industry. This achievement highlights GeM's rapid expansion as a primary tool for public procurement, serving a buyer base of over 1.6 lakh government entities. Notably, the leap from ₹4 lakh crore to ₹5 lakh crore was accomplished in less than 50 days since crossing the previous benchmark on 23rd January 2025. *(Business Standard)*

Parliament clears Rs 51,463 cr extra spending for FY25, Manipur Budget for FY26

Parliament approved supplementary grants demands for Rs 51,463 crore additional spending in the current fiscal and Manipur Budget for 2025-26. The Rajya Sabha returned four bills to the Lok Sabha, including Rs 1,291 crore demands for excess grants for 2021-22 fiscal and Rs 1,861 crore supplementary demands for grants for Manipur in 2024-25. Finance Minister Nirmala Sitharaman responded to the discussions on the bills. *(The Economic Times)*

Govt disburses Rs 14,020 crore in ten PLI schemes so far

The government has disbursed Rs 14,020 crore under Production-Linked Incentive schemes for ten sectors, including electronics and pharma, since the launch of the support measure to boost domestic manufacturing, an official statement said on Saturday. In 2021, the government announced Production-Linked Incentive (PLI)

schemes for 14 sectors like telecommunication, white goods, textiles, manufacturing of medical devices, automobiles, speciality steel, food products, high-efficiency solar PV module. *(The Economic Times)*

For pension products, common regulatory framework on table

The government is considering a common regulatory and supervisory framework including a grievance redressal mechanism for all retirement financing schemes while exploring ways to bridge India's pension gap. The terms of reference of the proposed forum for regulatory coordination and development of pension products are being finalised, which will also examine harmonising regulations to eliminate multiple supervisory overlaps, said two officials aware of the developments. *(The Economic Times)*



Taxation

GST-ITC fraud cases up 41%, amount detected jumped 28% in April-Jan.

The total number of input tax credit (ITC) fraud cases and amount detected in the first 10 months of FY25 exceeds the full year number of last fiscal by 41% and 28%, respectively. However, the voluntary deposit is still lower than last fiscal. Data sourced from the GST Intelligence Wing for a written response in the Lok Sabha showed over 13,000 ITC fraud cases came to light during April-January period of the current fiscal year. *(The Hindu)*

FY25 advance tax mop up rises 14% led by personal IT

Boosted by strong growth in personal income tax-led non-corporate segments, advance tax collections in 2024-25 rose by more than 14%, data by the Central Board of Direct Taxes (CBDT) showed. With this, over 95% of the Revised Estimate (RE) for direct taxes has been achieved. Though the CBDT did not give any reason for the rise in the advance tax mop-up, it is believed incomes of businesses and professionals are expected to see a significant growth. *(The Hindu)*

FAQs on revised guidelines for compounding of offences under I-Tax act

The Central Board of Direct Taxes (CBDT) has released revised guidelines for Compounding Offences under the Income-Tax Act, 1961, effective October 17, 2024. The updated guidelines simplify the process, remove offence categorization, limit application filing times, allow fresh applications for defect rectification, permit compounding offences under Sections 275A and 276B, and remove the 36-month time limit for filing applications from the complaint filing date. *(Business Standard)*

CBDT permits tax offence settlement through compounding under revised rules

The Central Board of Direct Taxes (CBDT) has announced that all tax-related offences, including those investigated by the Enforcement Directorate (ED) and the Central Bureau of Investigation (CBI), can now be resolved by paying a fine, a process known as the 'compounding of offences'. However, this applies only if the taxpayer has no links to anti-national or terrorist activities. If any taxpayer is found involved in anti-national or

terrorist activities, their case can only be settled with the approval of the CBDT chairman. *(Business Standard)*

Income-Tax Bill expands scope of AMT, increasing tax burden on LLPs

The Income-Tax (I-T) Bill, 2025, has broadened the scope of the alternative minimum tax (AMT) applicable to taxpayers other than companies, potentially increasing the tax burden on partnership firms and limited liability partnerships (LLPs) with long-term capital gains (LTCG). AMT ensures that such firms pay a minimum tax of 18.5 per cent. However, during the computation of AMT, LTCG is currently taxed at a preferential rate of 12.5 per cent. The new Bill seeks to remove this special treatment for LTCG, thereby increasing the overall tax burden. *(Business Standard)*



National Accounts and State of the Economy

Andhra Pradesh bags nearly Rs 4 trillion green investments in 8 months

Andhra Pradesh has become a top destination for renewable energy investments, attracting around Rs 4 trillion in eight months. This is largely due to its Integrated Clean Energy Policy, launched in October 2024, which has fast-tracked clearances and lined up new solar projects. Chief Minister Nara Chandrababu Naidu is transforming Andhra Pradesh into a renewable energy hot spot. *(Business Standard)*

Beer consumption in Maharashtra on a slow recovery amid high taxation

Beer consumption in Maharashtra has reached pre-Covid levels, while hard spirits have grown faster. The industry claims that taxation on beer in the state has made it more expensive than other alcoholic beverages. Beer sales in Maharashtra have stagnated with a compound annual growth rate of just 1% over the last decade, while liquor sales have grown by 6%. The Brewers Association of India's director general explains that excise duty on beer has increased by 34% in the last decade. *(Business Standard)*

India's steel consumption sees double digit growth, cement production at 15-month high

The Reserve Bank of India (RBI), stated in its monthly update that Among the high frequency indicators of industrial activity, growth in port traffic accelerated in February 2025, driven by higher growth in other miscellaneous cargo and containerized cargo. In the construction sector, steel consumption growth accelerated to 11.2 per cent (y-o-y) in February while the cement production levels reached a 15-month high, growing by 14.5 per cent in January. *(Business Standard)*

India's economic indicators and consumption trends shows sustained growth Momentum

The Indian economy is demonstrating resilience amidst global turmoil, with robust sectoral performance and improving consumption trends. The Second Advance Estimates predict a 6.5% growth for 2024-25, with real GDP expanding by 6.2% in Q3 2024-25. Private consumption expenditure is upward, and government spending has increased significantly, bolstering growth. *(Business Standard)*

Indian economy's resilience evident in the robust performance of the agriculture sector and improving consumption: RBI Bulletin

The RBI's March bulletin highlights the global economy's resilience being tested by escalating trade tensions and uncertainty around tariffs. This has caused volatility in financial markets and apprehensions about global growth slowdown. Despite these challenges, the Indian economy shows resilience in agriculture and improving consumption. The country's macroeconomic strength is bolstered by a decline in headline CPI inflation to a seven-month low of 3.6% in February 2025. (*Business Standard*)



Banking and Monetary Policy

Banks' CD issuances at an all-time high of ₹10.58 lakh crore in FY25

Primary market issuances of Certificate of Deposits (CDs) by banks rose 34 per cent year-on-year (y-o-y) to reach an all-time high of ₹10.58 lakh crore during FY2024-25 (up to March 7, 2025) as against ₹7.89 lakh crore recorded in the year-ago period amid persisting gap in credit and deposit growth, according to the RBI's latest monthly bulletin. Credit growth outpacing deposit growth is underscored by the fact that scheduled commercial banks' (SCBs') credit and deposit growth stood at 12 per cent and 10.6 per cent respectively, as of February 21, 2025. (*BusinessLine*)

Excess G-Secs holding, OMO auctions alleviate liquidity tightness, support credit

Excess statutory liquidity ratio (SLR) holding, delay in giving final effect to the draft liquidity coverage ratio (LCR) guidelines and open market operation (OMO) purchase of Government Securities (G-Secs) have come as a blessing in disguise for banks, amid deposit growth lagging credit growth. After RBI Governor Sanjay Malhotra, at his first bi-monthly monetary policy press meet on February 7, assured that banks will be given sufficient time to transition to a revised LCR regime, they are tendering G-Secs at OMO auctions without worrying about this ratio getting impacted, according bank treasury officials. (*BusinessLine*)

Govt sets up inter-ministerial panel for fintech sector growth

The Indian government has formed an inter-ministerial-industry committee on fintech (IMICF) to examine the factors affecting the growth of the fintech sector and propose a long-term strategy for its development. The panel, chaired by DFS Secretary M Nagaraju, will analyze global best practices in governance and regulation, focusing on broader ecosystem issues across fintech segments like payments, wealth, and regulations. (*BusinessLine*)

RBI infused around ₹15.5 lakh crore into banks in the last 2 months: Bulletin

The Reserve Bank of India (RBI) has injected liquidity — durable and transient — aggregating about ₹15.5 lakh crore into the banking system in the last couple of months to help overcome funds crunch and support credit growth. The tight liquidity situation in the banking system arose due to the RBI's foreign exchange market interventions (sale of dollars, which sucks out rupee liquidity) to curb excessive volatility in the rupee's

movement against the dollar, government tax flow dynamics, currency leakages and foreign portfolio investor (FPI) outflows. *(BusinessLine)*

SBI skips ₹15,000 cr bond sale amid rising yields, to tap market next fiscal

The State Bank of India is halting plans to raise funds this fiscal year due to high bond yields, despite a policy rate cut and Central bank liquidity boost. The bank had planned to raise up to ₹15,000 crore through bond sales by the end of March, but will now focus on the next financial year, starting in April. The bank has been waiting for an opportune time to enter the market, but yields have remained high. *(BusinessLine)*

Urban co-operative banks should be mindful of their responsibilities: RBI Guv

While the RBI will continue to support the urban cooperative banking sector in its growth ambitions, the banks need to be mindful of their responsibilities, particularly in view of the trust reposed on them by their depositors, said Governor Sanjay Malhotra. The observation comes in the backdrop of the Mumbai-based New India Cooperative Bank (NICB) getting into trouble last month after a ₹122 crore fraud was detected. The RBI has superseded NICB's board for 12 months with effect from February 14 due to certain material concerns emanating from poor governance standards observed in the bank. *(BusinessLine)*

Bank earnings growth could bottom out in FY26: Motilal Oswal

The earnings growth of Indian banks could bottom out in the coming fiscal year as they face continued macro challenges with slow GDP growth and sluggish credit and deposit growth, brokerage house Motilal Oswal said in a report. The company estimates that the earnings growth of the banking sector could fall to 8.4% on year in FY26, before recovering to 14.5% in subsequent years as margins recover following a repricing of funding cost. *(The Economic Times)*

Public Sector Banks must focus on capital strength, cost efficiency: Govt

M Nagaraju, secretary of the department of financial services, emphasized the importance of public sector banks planning for capital raising and reducing intermediation costs to make banking products and services, particularly credit-related, affordable to the public. He emphasized the need for banks to focus on building capacity, planning efficient resource allocation, and reducing intermediation costs. *(The Economic Times)*

RBI appoints Indranil Bhattacharyya as Executive Director

The Reserve Bank of India (RBI) on Thursday said it has appointed Indranil Bhattacharyya as executive director (ED). As executive director, Bhattacharyya will look after the Department of Economic and Policy Research, the RBI said in a statement. *(The Economic Times)*

Banks must disclose market, face value of repo, reverse repo deals, RBI says

The Reserve Bank of India Thursday clarified that disclosures by banks on repo and reverse repo transactions must be done both in market value as well as face value terms. The central bank's clarification comes in response to the queries and suggestions from banks and Indian Banks' Association on certain aspects of disclosures in the notes to accounts to the financial statements. *(The Economic Times)*

Payments banks seek higher deposit limit, urge FinMin to raise to Rs 5 lakh

Payments banks have urged the Union finance ministry to increase their deposit limit for each account to ₹5 lakh, according to a source who participated in a meeting, chaired by the Department of Financial Services Secretary M Nagaraju, in New Delhi. At present, they can accept deposits of up to ₹2 lakh. The previous increase was in April 2021, when the maximum end-of-day balance was raised from ₹1 lakh to ₹2 lakh. In addition to the deposit limit, such banks have asked for permission to lend to the microfinance sector, with a cap on loans, to diversify their income streams. *(Business Standard)*

Parliamentary panel raises concern over dip in CASA ratio for banks

The Standing Committee on Finance has recommended that banks diversify funding sources, optimize operations, and use AI-driven automation to improve efficiency, reduce costs, and drive digital banking innovations. The committee acknowledges the liquidity challenge posed by the decline in financial savings, limiting access to low-cost funds. The adoption of advanced technologies, such as AI and machine learning, will enhance operational efficiency, competitiveness, and customer engagement, according to its report on reviewing the Department of Financial Services' grants demands for the 2025 financial year. *(Business Standard)*

CD rates top 8% for smaller banks amid banking system liquidity tightness

Amid liquidity tightness in the banking system, certificate of deposit (CD) rates topped 8 per cent for some smaller banks, with rates remaining on the higher side for derivatives loss-hit IndusInd Bank. On Thursday, CSB Bank raised ₹100 crore via one-year CDs at 8.5 per cent, while Utkarsh Small Finance Bank issued three-month CDs at 8.05 per cent to raise ₹50 crore. IndusInd raised ₹1,000 crore through CDs at 7.9 per cent on Thursday, bringing its total fundraising this week to ₹14,750 crore to tide over a cash crunch amid tight system liquidity. *(Business Standard)*

RBI, Bank of Mauritius sign pact to use local currencies in bilateral trade

Reserve Bank and the Bank of Mauritius (BOM) have signed a pact for establishing a framework to promote the use of the Indian Rupee and the Mauritian Rupee (MUR) for cross-border transactions. The Memorandum of Understanding (MoU) was signed by RBI Governor Sanjay Malhotra and BOM Governor Rama Krishna Sithanen G C S K, the central bank said in a statement on Tuesday."The MoU documents were exchanged in Port Louis, Mauritius in the presence of the Prime Minister of India Narendra Modi and Prime Minister of Mauritius Navinchandra Ramgoolam, on Wednesday, March 12, 2025," it said. *(Business Standard)*



External Sector

Diversifying crude import sources helps India navigate trade turmoil, US sanctions

As the world struggles to adjust with the evolving trade and geopolitical scenarios, India's strategy to diversify its crude oil import sources aided domestic refiners to source barrels from Africa and South America during February as US sanctions impacted Russia's seaborne oil cargoes. According to the trade numbers from global real-time data

and analytics provider Kpler, Indian refiners, for the first time in last six months, turned to countries such as Argentina, Algeria, Gabon, Libya and Congo. India's crude oil import dynamics are evolving amid shifting geopolitical landscapes. *(BusinessLine)*

Feb trade gap dips as imports fall more steeply than exports

India's goods exports fell 10.85% YoY to \$36.91 billion in February, the fourth consecutive month of decline. The decline was due to US tariff threats, global petroleum price volatility, and sanctions on the gems and jewellery sector. However, the trade deficit narrowed to \$14.05 billion, the lowest in over three years, as imports fell 16.3% to \$50.96 billion due to gold and petroleum. Commerce Secretary Sunil Barthwal emphasized the country's goal of \$800 billion in combined exports. *(BusinessLine)*

India's export of key items sees double-digit contraction, says report

India's export of key items such as petroleum products, iron ore, gems and jewellery, oil seeds, and ceramics witnessed double-digit contraction in February, which calls for 'targeted support and strategic interventions' to drive recovery, Delhi-based think tank GTRI said in a report on Wednesday. Data released by the commerce department on Monday showed that outbound shipments from India shrank at the sharpest pace in 20 months —by 10.9 per cent year-on-year (Y-o-Y) — to \$36.91 billion in February. The contraction was driven by negative growth in several items. *(Business Standard)*

Tobacco exports double over the past 4 years, likely to top \$2 billion this fiscal

Tobacco exports have doubled over the past four years in dollar terms on rising global demand and prices as production took a hit in countries such as Brazil and Zimbabwe. India's shipments have increased in value from \$923 million in 2021-22 to over \$1,840 million till February in the current fiscal. They are likely to touch the \$2 billion mark by the end of March. Per Commerce Ministry data, tobacco exports registered 38.59 per cent growth during April-February 2024-25 at \$1,840.70 million, compared with \$1,328.17 million a year ago. *(BusinessLine)*

US-China tariff war: Short-term gains, market disruptions likely for India's solar PV exporters

India, which accounts for more than one-tenth of the US' solar PV panel imports, stands to gain from the latter's tariff war with China and South-East Asian countries, albeit in the short term. However, the US threat of reciprocal tariffs and the Chinese price competition could lead to market disruptions that could hit solar exports from India, risk management services provider Rubix Data Sciences said in a report. *(BusinessLine)*

Smartphone exports beat estimates, cross \$21 billion in FY25 so far

India's mobile phone exports reached ₹1.75 trillion (\$21 billion) in the first 11 months of 2024-25 (FY25), surpassing the projection of Minister for Electronics and Information Technology Ashwini Vaishnaw's estimate of \$20 billion. This is 54% higher than smartphone exports in the previous financial year. Apple Inc. was the largest contributor, accounting for ₹1.25 trillion, with iPhone exports accounting for nearly 70% of total smartphone exports. *(Business Standard)*

India's merchandise trade deficit will be under pressure in fiscal 2026, services sector to provide respite: Crisil

India's merchandise trade deficit will be under pressure in the fiscal year 2026, as domestic private consumption is expected to remain strong, maintaining imports up, the rating agency Crisil said in its recent report. According to the rating agency, India's exports could also come under pressure due to the slowing economy and tariff related conditions in the United States. However, as per the report, the service trade, which has proven to be more resilient and where India runs a surplus, will provide some cushion. *(The Economic Times)*

India, New Zealand announce resumption of FTA talks

India and New Zealand have resumed negotiations for a Comprehensive Economic Cooperation Agreement after a decade-long hiatus. The agreement aims to enhance trade in goods, services, and investments, potentially unlocking new business opportunities and improving market access. The discussions will focus on balancing outcomes that benefit both nations. *(The Economic Times)*

As Trump's tariff threats loom large, exporters take wind out of shippers' sails

Exporters in sectors like electronics, gems and jewellery, apparel, and footwear are airlifting goods to the US to avoid reciprocal tariffs starting April 2. This method is mainly viable for specific products due to time constraints. Exporters are adjusting shipment volumes to accommodate buyer requests, spreading deliveries over several months. *(The Economic Times)*

India moves WTO against EU's new steel safeguards, fears trade impact

India has requested consultations with the EU at the WTO regarding the EU's planned changes to safeguard measures on certain steel imports, which could affect India's steel industry. The EU's adjustments, set to begin in two phases, include a 25% out-of-quota duty until 2026 and alterations to residual quotas and quota caps. *(The Economic Times)*



Agriculture and Rural Economy

HDFC Bank Parivartan supports in bringing 2 lakh acres of unirrigated land under irrigation

HDFC Bank, through its CSR initiative Parivartan, aims to bring two lakh acres of unirrigated land under irrigation by March 2025. The bank supports water conservation through watershed development, rainwater harvesting, and innovative solutions like drone-based irrigation and Ice Stupa projects in Ladakh to mitigate climate change effects. *(The Economic Times)*

Women constitute 64.4% of India's agricultural workforce: Report

Women constitute 64.4 per cent of India's agricultural workforce but only 6-10 per cent are employed in top agri and agri-related companies, according to a new report released on Friday. The report "Women in Agribusiness Opportunities and Challenges" was launched by Godrej Agrovet Ltd in collaboration with the Indian Institute of Management Ahmedabad (IIMA) and Godrej DEI Lab at its second Women in Agriculture Summit. *(Business Standard)*

India's farm insurance proves costly for most vulnerable

Indian farmers facing climate-vulnerable conditions are hindered by high premiums and lower payouts in the national crop insurance scheme. Despite advancements in technology to improve transparency, farmers like Dileep Patidar struggle with inadequate coverage and prolonged delays in claim settlements. (*The Economic Times*)

Indian economy's resilience evident in the robust performance of the agriculture sector and improving consumption: RBI Bulletin

According to RBI's March bulletin, the resilience of the global economy is being tested by escalating trade tensions and a heightened wave of uncertainty around the scope, timing, and intensity of tariffs. While engendering heightened volatility in global financial markets, these have also caused apprehensions about the slowdown in global growth. Amidst these challenges, the Indian economy continues to demonstrate resilience as evident in the robust performance of the agriculture sector and improving consumption. (*Business Standard*)

Govt aims at record MSP purchases of pulses and oilseeds

With market prices ruling below minimum support price (MSP) on robust crop prospects after staying at elevated levels for two years, the government is set to approve purchase of over 6 million tonne (MT) of oilseeds and 5 MT of pulses purchase under the price support scheme (PSS) in the key growing states for 2024-25 season (July-June). Officials said this approval for MSP purchase of oilseeds and pulses in the current season would be a record, while previously in 2017-18, the government agencies had purchased a 6.55 MT — 4.55 MT (pulses) and 2 MT (oilseeds) from the farmers. (*Financial Express*)

Cocoa farmers staring at a crisis in A.P. as price plummets

The cocoa farmers in the State are starting at a crisis following a sharp fall in the price. While international prices are on the rise, the prices in domestic markets have shown a negative trend, and a kg of cocoa is quoted at about ₹500 a kg, much below what it fetched last year. The farmers, going by last year's experience, hoped that it would fetch not less than ₹1,000 a kg this year too. But the prices initially hovered around ₹600 a kg and then began to slide further, much to the concern of the farmers. They now fear further price fall unless the State government intervenes. (*The Hindu*)

Parliamentary panel asks Centre to spend more on agriculture, rename Ministry

The Standing Committee of Parliament on Agriculture, headed by former Punjab Chief Minister Charanjit Singh Channi, has recommended a change in the name of the Union Agriculture Ministry to reflect the importance of farm workers, too. The panel, in its report tabled in Parliament on Wednesday (March 12, 2025), has also demanded a comprehensive crop insurance plan for small-holding farmers. (*The Hindu*)



Industry, Manufacturing, Services and Technology

Air pollution will lower India's solar generation capacity: study

A study by researchers at IIT Delhi has found that air pollution and climate change will impair solar panel performance in India. It was published in Environmental Research Letters in November 2024. According to the paper, India is the fifth-largest solar power producer worldwide. The country has set a target to produce 50% of its electric power from non-fossil fuel sources by 2030, and plans to install 500 GW of renewable energy capacity to this end by then. One-fifth of this capacity is expected to be in the form of solar power. India also has plans to develop more solar parks and promote rooftop solar generation. *(The Hindu)*

Manufactured items hasten Feb. WPI inflation to 2.38%

Wholesale price inflation in India has accelerated to 2.38% in February due to an increase in the cost of manufactured food products. The price of manufactured products reached a two-year high of 2.86%. Core manufactured WPI inflation rose to 1.3% y-o-y from 1% in January. Primary articles continued to dis-inflate for six consecutive months, reaching 2.81% in February 2025. Food price inflation reached a four-month low of 3.38% in February 2025, but the correction is now tapering. Non-food primary inflation rose to 4.84% in February, down from 2.85% in the previous month. *(The Hindu)*

Pact signed for using Parliament data for AI model: Minister

The India Artificial Intelligence Mission has signed a memorandum of understanding with Parliament to access its data for training an indigenous AI model. Under the India AI Mission, 14,000 GPUs are available at a common compute facility. The Parliament dataset will be a valuable resource for training the model, as are Doordarshan and All India Radio. Union IT Minister Ashwini Vaishnaw stressed the importance of having own large language models (LLM) as models may not remain open source in the future, as seen in Open AI. *(The Hindu)*

Telecom tribunal reforms to handle data protection pleas

In early January this year, the Ministry of Electronics and Information Technology (MeitY) released the draft Digital Personal Data Protection Rules, 2025 (Rules) under the Digital Personal Data Protection Act, 2023 (Act). Several criticisms of this draft have emerged, which include the Union government's discretion to appoint members to the Data Protection Board (DPB or Board). Since the DPB has quasi-judicial functions, the control of the executive over appointments to the DPB have raised concerns on the separation of powers and the independence of the DPB. *(The Hindu)*

Govt sets up inter-ministerial panel for fintech sector growth

The government has set up an inter-ministerial-industry committee on fintech (IMICF) to look into entire gamut of issues that affect growth of fintech sector and suggest long term strategy for its development. *(BusinessLine)*

Apple, Samsung exports drive 'Made in India' smartphone shipments to 6% y-o-y in 2024

'Made in India' smartphone shipments grew 6 per cent year-on-year (y-o-y) in 2024 driven by increasing exports from Apple and Samsung that alone accounted for around 94 per cent of India's smartphone exports, a report said last week. According to Counterpoint's 'Make in India' service report, both Apple and Samsung have significantly expanded their manufacturing to align with the country's objective of reducing reliance on imports and strengthening its presence in the global supply chains. *(BusinessLine)*

India's ad industry raids followed tip-offs under leniency scheme

India's antitrust raids this week on media buying agencies followed tip-offs under a leniency scheme that reduces penalties for companies providing evidence, three people familiar with the matter told Reuters. Japan's Dentsu was at least one firm that has applied for the scheme, one of the people said. Dentsu declined to comment. On Tuesday and Wednesday, the Competition Commission of India raided the local offices of WPP-owned GroupM, Interpublic, Publicis and Dentsu, as well as high-profile Indian broadcasters' body IBDF, over suspected collusion on ad prices and discounts. (*Business Standard*).

PLI scheme creates 26,351 jobs in India's telecom manufacturing industry

The Department of Telecommunications (DoT) has announced a Production Linked Incentive (PLI) scheme to boost domestic manufacturing of telecom and networking products in India. The scheme, which has generated total sales of Rs 78,672 crore, has employed 26,351 individuals. The guidelines have been revised to encourage design-led production and a 1% additional incentive has been introduced for products designed, developed, and manufactured in India. (*Business Standard*).

Uttar Pradesh boosts defence industry with military hardware test bed

The Uttar Pradesh government is setting up a state-of-the-art military hardware testing facility in Lucknow, which would be a first of its kind in the state and only the second in India. This move aims to strengthen the Uttar Pradesh Defence Industrial Corridor (UPDIC) as well as the country's defence manufacturing sector. The facility will be developed under the Defence Testing Infrastructure Scheme (DTIS) by a special purpose vehicle (SPV) called Advanced Material (Defence) Testing Foundation (AMDTF). The state government has approved free land for the project. (*Business Standard*)

Optimism on Financial Performance Declines; Industrial Sector witnesses largest drop since Q3 2023

A survey by Dun & Bradstreet India revealed that confidence among Indian Chief Financial Officers (CFOs) in both industrial and services financial performance has decreased compared to Q4 2024. The Dun & Bradstreet India Composite CFO Optimism Index assesses optimism levels on 12 parameters, including operating margin, liquidity position, financial risk on the balance sheet, risk appetite, need for raising funds, cost of raising funds, availability of funds, domestic and global macro-economic scenario, mergers and acquisitions scenario, and financial risks for businesses. (*Business Standard*).

Artificial intelligence & India: The Modi model of technology diffusion

Prime Minister Narendra Modi, in his recent podcast conversation with Lex Fridman, made a pithy comment that no matter what the world does with artificial intelligence (AI), it will be incomplete without India. The comment was clearly directed at the race of sorts that has emerged between the United States and China for technological dominance this decade. (*Business Standard*).

Manufacturing growth picks up pace in March, services slows down: Flash PMI

India's private sector showed mixed performance in March, with manufacturing expanding faster but services slowing down. The HSBC Flash India Manufacturing PMI

rose to 57.6 from 56.3 in February, signaling an improvement in operating conditions. Three of the five main sub-components, output, new orders, and stocks of purchases, have risen since last month. This indicates a notable improvement in operating conditions for the 2024/25 fiscal year. (*BusinessLine*)



News on Kerala

Vizhinjam Port to begin gateway container operations within four months

Kerala Port Minister V N Vasavan announced that gateway container operations at Vizhinjam International Port will begin within four months. The port, developed by Adani Ports, has already seen 215 ships and handled 4,22,846 TEU. Recent environmental clearances ensure the full completion of the port by 2028, with operations commencing soon after final approval from Prime Minister Modi. (*The Economic Times*)

Maharashtra, Kerala and Tamil Nadu get over half of \$118-billion remittances in FY2

Maharashtra, Kerala, and Tamil Nadu have emerged as the top recipients of remittances from overseas Indians, amounting to \$118.7 billion in FY24. The shift in dominance from the Gulf countries to advanced economies like the US, UK, and Australia highlights a significant trend, with digital channels reducing transfer costs and playing a major role. (*The Economic Times*)

Kerala becomes first Indian state to establish senior citizens commission

Kerala has become India's first state to create a commission for senior citizens, focusing on their rights, welfare, and rehabilitation. Chief Minister Pinarayi Vijayan said the new law will enhance initiatives against neglect and exploitation, and promote active participation in society. The commission aims to safeguard the well-being and address the hardships faced by the elderly. (*The Economic Times*)

Adverse weather, lower area hit pepper output

Pepper output for 2024-25 will likely be lower due to the decline in area and adverse weather impacting the production. As per the first advance estimates by the government, pepper production is likely to be lower by 38 per cent at 78,000 tonnes against 1,26,000 tonnes a year ago. The government estimates the pepper acreage to be lower this year at 2.55 lakh hectares over previous year's 3.13 lakh hectares. Pepper prices have crossed the ₹700 per kg mark in key producing States such as Karnataka and Kerala. (*BusinessLine*)

Kerala government warns of stringent legal action against encroachers

The Kerala government has taken stringent measures against illegal encroachments in Idukki, ensuring that ordinary settlers are not affected. Revenue Minister K Rajan emphasized the government's commitment to resolving encroachment issues permanently, with actions including the suspension of illegal title deeds and demolition of unauthorized constructions. (*The Economic Times*)

Kerala HC upholds govt. decision to increase seats in local bodies

The Kerala High Court has upheld the government decisions to increase the minimum and maximum number of seats in panchayats and municipalities and not to create new panchayats and municipalities by bifurcating the existing local bodies. Justice Ziyad Rahman A.A. upheld the decision while dismissing recently a batch of writ petitions challenging the amendments to the Kerala Panchayat Raj Act and the Kerala Municipality Act for increasing the seats in the local bodies. The amendments had increased the minimum seats of panchayats to 14 from 13 and the maximum number to 24 from 23. The minimum number of wards in the municipalities has been increased to 26 from 25 while the maximum to 53 from 52. *(The Hindu)*

Kerala to 'look east', including China, Australia, to increase prospects in foreign tourism

Kerala will 'look east' to salvage its sagging fortunes in foreign tourist arrivals, which is just 62% of the arrivals during the pre-pandemic period. Titled 'Look East', Kerala Tourism will hold a special marketing campaign in eight eastern countries from China to Australia to attract more tourists to the State. Though the Chinese account for the biggest share of Asian tourism market, Kerala hardly receives any visitors from China. *(The Hindu)*

Kerala's central tax share has halved from 10th to 15th FC: Vijayan

Kerala Chief Minister Pinarayi Vijayan says his government is committed to translating investment intentions in the recently concluded investment summit into reality. He tells Indivjal Dhasmana in an email interview that the Centre has double standards in dealing with borrowings of certain agencies in the state and those at the Centre as sovereign debt. He talks of the investment ecosystem in the state, the Vizhinjam port, women's safety, and the prospects of the Left Front in the next Assembly elections. *(Business Standard)*

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