



## Public Finance

### India bond yields seen consolidating ahead of debt supply, US data

Indian government bond yields are likely to be little changed in early deals on Thursday, as market participants await crucial US jobs data after market hours and fresh supply a day later. India bond yields seen consolidating ahead of debt supply, US data. The yield on the benchmark 10-year bond is expected to trade between 6.27 percent and 6.30 percent, a trader at a private bank said, after closing at 6.2892 in the previous session. The five-year 6.75 percent 2029 bond ended at 5.9522 percent on Wednesday. *(BusinessLine)*

### India's April-May fiscal deficit at ₹13,163 crore—0.8% of annual target

India's fiscal deficit staged a marked improvement in the first two months of 2025-26, helped by strong growth in non-tax revenue even as the government's capital expenditure increased. The Union government reported a fiscal deficit of ₹13,163 crore for April-May, amounting to 0.8% of the target for the whole of 2025-26, according to data released Monday by the Controller General of Accounts. For the same period last year, fiscal deficit was ₹50,615 crore. *(Mint)*

### Telangana's growing debt raises questions over fiscal sustainability

Recent data from the Comptroller and Auditor General (CAG) of India has validated concerns expressed by Telangana Chief Minister Revanth Reddy that his state is facing a monthly revenue shortfall of ₹4,000 crore. This, Reddy had said, was pushing the state towards "bankruptcy". According to CAG data, the state reported a revenue deficit — the gap between current expenditure and receipts — of around ₹4,023 crore in the first month of the current financial year. The state government has projected a revenue surplus of 0.2 percent in the Budget Estimates (BE) for 2025-26. The state's fiscal deficit is pegged. *(Business Standard)*

### India's fiscal consolidation & capex boost went hand-in-hand in Apr-May FY26: UBI

India has made a promising start to the financial year 2025-26 (FY26), as both fiscal consolidation and capital expenditure (capex) are moving forward together, according to a report by Union Bank of India. The report highlighted that the fiscal deficit for April-May FY26 stood at just Rs 0.13 lakh crore, which is only 0.8 percent of the Budget Estimates (BE). This is a major improvement compared to the same period last year, when the fiscal deficit was Rs 0.51 lakh crore or 3.2 percent of the Revised Estimates (RE). The better fiscal position has been supported by a strong rise in revenue receipts, especially a record dividend of Rs 2.69 lakh crore from the Reserve Bank of India (RBI). *(The Economic Times)*

## Telangana treading cautiously on market borrowings; it raised ₹17,400 crore in first quarter

Telangana Government appears to be treading cautiously in its market borrowings. It has proposed to raise ₹11,000 crore market borrowings during the July-September quarter of the current financial year [2025-26]. This is much lower compared to ₹17,400 crore raised during the April-June [first] quarter primarily to be used to credit assured amounts into the accounts of farmers under Rythu Bharosa — the farmers' investment support scheme. The State government proposes to raise ₹4,500 crore in four tranches in July, participating in all but one auction of securities to be conducted by the Reserve Bank of India (RBI). *(The Hindu)*

## Capex rises 54% in Apr-May FY26, RBI dividend lifts revenue: CGA data

The government's capital expenditure (capex) witnessed an increase of 54 percent in the April-May period of 2025-26 (FY26) compared to last year when capex was subdued due to elections, according to the latest data released by the Controller General of Accounts (CGA) on Monday. Revenue-wise too, the government has seen a growth of 10 percent in tax and 41.8 percent in non-tax revenues due to Reserve Bank of India (RBI) dividends on a year-on-year (Y-o-Y) basis, the CGA data showed. Experts said that the cumulative fiscal deficit in the first two months of FY26 was the lowest since the government's monthly fiscal numbers were made available - April 1997. *(Business Standard)*

## States/UTs to borrow Rs 2.86 lakh crore in Jul-Sep quarter: RBI

States and Union Territories combined will raise about Rs 2.86 lakh crore from markets in the quarter July-September 2025, the Reserve Bank of India (RBI) has indicated. The expected market borrowing plans have been decided upon by the RBI after consulting with the State Governments/Union Territories. On July 1, Rs 18,100 crore is proposed to be borrowed - Andhra Pradesh (Rs 2,000 crore), Assam (Rs 900 crore), Gujarat (Rs 1,000 crore), Himachal Pradesh (Rs 1,200 crore), Kerala (Rs 2,000 crore), Maharashtra (Rs 6,000 crore), Rajasthan (Rs 500 crore), Tamil Nadu (Rs 2,000 crore), Telangana (Rs 1,500 crore), and West Bengal (Rs 1,000 crore). *(The Economic Times)*

## India's foreign debt jumps 10% to \$736.3 bn; external debt-to-GDP also rises

India's external debt increased by 10 percent to USD 736.3 billion at the end of March 2025 compared to USD 668.8 billion in the year-ago period, the Reserve Bank said on Friday. As a percentage of the GDP, the external debt increased to 19.1 percent at the end of the recently concluded financial year from 18.5 percent a year ago, it added. In a year which saw some volatilities in the currency markets, the RBI said the "valuation effect" due to the appreciation of the US dollar against the rupee and other currencies amounted to USD 5.3 billion, while if one were to exclude the valuation effect, external debt would have increased by USD 72.9 billion instead of USD 67.5 billion in the year. *(The Economic Times)*



Taxation

## GST a landmark reform that reshaped India's economic landscape: PM Modi

On the eighth anniversary of the Goods and Services Tax (GST) rollout, Prime Minister Narendra Modi on Tuesday said the indirect tax regime stands out as a landmark reform that has reshaped India's economic landscape. The GST, which was implemented on July

1, 2017, has unified 17 taxes and 13 cesses, creating a seamless national market by simplifying compliance and digitizing tax systems. It has also expanded the taxpayer base and strengthened cooperative federalism, the government has said.

### **GST is a brutal tool of economic injustice and corporate cronyism: Rahul Gandhi**

The Goods and Services Tax (GST) is a “brutal tool of economic injustice and corporate cronyism”, Leader of the Opposition in the Lok Sabha Rahul Gandhi said on Tuesday. He said India deserved a tax system that worked for all, not just the privileged few, so that every Indian, from the small shopkeeper to the farmer, could be a stakeholder in the nation’s progress. *(The Hindu)*

### **GST revenue growth dips to four-year low**

India’s gross Goods and Services Tax (GST) collections stood at a four-month low of ₹1.85 lakh crore in June 2025, 6.2% higher than the collections seen in June last year, and 8.2% lower than the collections in May 2025. The growth rate of gross collections in June 2025 was the lowest growth in four years, since June 2021. The latest data also shows that collections in the first quarter of this financial year (April-June 2025) stood at ₹2.07 lakh crore. The GST data shows that, once refunds are accounted for, the net GST collections figure stood at ₹1.59 lakh crore in June 2025, 3.3% higher than the comparable figure in June 2024. *(The Hindu)*

### **Punjab registers record 44% growth in net GST collections in June**

Punjab registered a record 44.44 percent growth in net goods and services tax collections at Rs 2,379.90 crore in June 2025. Finance Minister Harpal Singh Cheema on Tuesday said Punjab outpaced the national average in GST collection growth, firmly positioning itself among the top-performing states in tax mobilization despite facing national and geopolitical challenges, including border-related tensions. *(Business Standard)*



## **National Accounts and State of the Economy**

### **India's GDP has more than doubled in last decade, FDI inflows jumped 1.43%**

In the past eleven years, India has risen from the eleventh to the fourth largest economy in the world. Our GDP has more than doubled—from USD 2.1 trillion in 2014 to USD 4.3 trillion in 2025 noted Hardeep Singh Puri, Minister of Petroleum & Natural Gas. We have recently overtaken Japan and are poised to become the third-largest economy by 2030, overtaking Germany, the Minister remarked, highlighting the nation's resilience during global headwinds and the critical role played by bold policy reforms, extensive social welfare schemes, and sound financial management. *(Business Standard)*

### **India's FY26 GDP growth likely to be 6.4-6.7% amid strong demand: CII**

The Indian economy is expected to grow by 6.4-6.7 per cent during the current financial year driven by strong domestic demand, even as geopolitical uncertainty poses downside risks, CII President Rajiv Memani said on Thursday. Addressing his first press conference after taking over as the CII president, Memani observed that factors including a good monsoon forecast, and enhanced liquidity emanating from the Reserve Bank's

CRR cut, and interest rate reduction will support the country's economic growth. *(Business Standard)*

### **Milk product intake rises as cereal, pulse consumption dips: Govt report**

Intake of cereals and pulses came down in both rural and urban areas, while consumption of milk and its products showed an increase in 2023-24, according to a government report. The Household Consumption Expenditure Surveys (HCES) conducted during August 2022 July 2023 and August 2023 July 2024 showed that the consumption of egg, fish and meat has gone up in rural areas, though it remained the same in urban areas. The study showed the proportion of cereals in consumption has decreased from 38.8 per cent in 2022-23 to 38.7 per cent in 2023-24 in urban areas. In the case of rural India, the proportion has decreased from 46.9 per cent to 45.9 per cent. *(Business Standard)*

### **Power consumption dips slightly by 1.5% to 150.04 bn units in June**

Power consumption in the country dipped slightly by 1.5 per cent to 150.04 billion units (BU) in June, compared to the year-ago period, mainly due to reduced usage of cooling appliances amid early onset of monsoon. Power consumption was recorded at 152.37 BU in June, 2024, according to official data. Experts believe the early arrival of monsoon affected the power consumption as well as demand in June. The highest supply in a day (peak power demand met) in June also dipped to about 242.49 GW last month, from around 244.52 GW in June 2024. The peak power demand was about 231 GW. It had touched an all-time high of about 250 GW in May 2024. *(Business Standard)*



## **Banking and Monetary Policy**

### **PSU Bank Index up 2.5% on FinMin call for monetisation**

The Nifty PSU Bank Index jumped more than 2.5% Monday after the finance ministry urged these lenders to offer more credit and monetise subsidiaries through IPOs and stake sales. They bucked the declines in the rest of the banking space. The Nifty PSU Bank Index gained 2.7%, while the Bank Nifty and benchmark Nifty lost 0.2% and 0.5%, respectively. *(The Economic Times)*

### **Strong dollar demand by banks weakens rupee by 28 paise**

The Indian rupee weakened 28 paise to 85.75 per dollar on Monday due to strong dollar demand by both foreign and domestic banks, even as other Asian currencies strengthened amid a weaker dollar index. The domestic unit had previously closed at 85.47/\$1. The Reserve Bank of India likely intervened by purchasing dollars via state run banks, traders said. The rupee traded in a range of 85.44/\$1 to 85.78/\$1, LSEG data showed. *(The Economic Times)*

### **RBI's financial stability report: NPAs a risk, but banks healthy enough**

India's banking sector continues to return satisfactory scores on key parameters such as capital adequacy, credit and liquidity risks, supported by robust growth and benign inflation expectations, although asset quality could marginally slip by 2027 from a decadal best currently, the latest central bank study showed. *(The Economic Times)*

### **Indian banking sector robust with record-high capital buffers, non-performing loans ratios at multi-decade lows: RBI**

The Reserve Bank of India on Monday in its Financial Stability Report said that India's banking system has remained robust with capital buffers reaching record high, non-performing loans ratios at multi-decadal low, and improved operational performance. "Macro stress tests reaffirm the resilience of banks to adverse scenarios. The resilience of the NBFC sector is bolstered by enhanced asset quality and healthy capital buffers. Interconnectedness among financial sector entities, as reflected in their bilateral exposures, continued to grow in double-digits," said the RBI in its report. (*The Economic Times*)

### **Bank credit growth slows to 4.9 pc during fortnight ended May 30: RBI**

Bank credit to industry expanded at 4.9 per cent in the fortnight ended May 30, against 8.9 per cent growth in the corresponding period of the previous year, the Reserve Bank said on Monday. The RBI has released the data on sectoral deployment of bank credit for May 2025 collected from 41 select scheduled commercial banks (SCBs), accounting for about 95 per cent of the total non-food credit by all commercial banks. On a year-on-year (y-o-y) basis, non-food bank credit as on the fortnight ended May 30, 2025, grew by 9.8 per cent as compared to 16.2 per cent during the corresponding fortnight of the previous year (May 31, 2024). (*The Economic Times*)

### **Finmin asks public sector banks to monetise investments in subsidiaries via listing on bourses**

The finance ministry has asked public sector banks (PSBs) to look at monetising their investment in subsidiaries by listing them at bourses after further scaling up operations so that they realise good return. There are about 15 subsidiaries or joint ventures of PSBs lined up for initial public offering or divestment in medium to long term, sources said. Wherever required banks should invest funds to scale up operations of their subsidiaries or joint ventures, sources said, adding, banks can look at unlocking value at an opportune time. (*The Economic Times*)

### **Big relief for savings account holders: After SBI and Canara Bank, PNB removes minimum balance charge**

After State Bank of India (SBI) and Canara Bank, state-owned Punjab National Bank (PNB) will also no longer charge penalties for failing to maintain the minimum average balance (MAB) in all savings accounts. PNB has also reduced the interest rates on savings accounts across all balance slabs. "This customer-first initiative (waiver of charges for non-maintenance of MAB), effective from July 1, 2025, aims to support priority segments, including low-income households, women, and farmers, by making banking services more accessible and easier to use without the burden of balance maintenance penalties," PNB said in a release. SBI has waived the requirement for maintaining a minimum balance in all savings accounts since 2020; there is no penalty if the minimum balance in the savings account is not maintained. (*The Economic Times*)

### **RBI has barred banks and NBFCs from charging pre-payment penalties on floating-rate business loans**

The Reserve Bank of India (RBI) has barred banks and non-banking finance companies (NBFCs) from slapping pre-payment charges on most floating rate loans to individuals and micro and small enterprises (MSEs) to improve credit portability and borrower convenience. The new norms will apply to all fresh loans sanctioned or renewed on or after January 1, 2026. (*Business Standard*)

### **Indian Bank's total deposits climb 9% YoY to Rs 7.44 lakh crore in Q1**

Indian Bank said that its total deposits jumped 9.3% to Rs 7.44 lakh crore as of 30 June 2025, compared with Rs 6.81 lakh crore as of 30 June 2024. On a sequential basis, the bank's deposits increased 0.95% from Rs 7.37 lakh crore as of 31st March 2025. Total business jumped 10.2% YoY and 1.43% QoQ to Rs 13.44 lakh crore as of 30 June 2025. Gross advances stood at Rs 6 lakh crore as of 30 June 2025, registering the growth of 11.3% YoY and 2.04% QoQ. Indian Bank is a medium-sized public sector bank offering a wide range of financial products and services, including deposits and loans. Its key business segments comprise Treasury, Corporate/Wholesale Banking, Retail Banking, and Other Banking Operations. *(Business Standard)*

### **RBI asks banks to integrate DoT's fraud risk tool to curb cyber crimes**

The Reserve Bank of India has advised all banks to integrate the Financial Fraud Risk Indicator tool developed by the Department of Telecom to curb online fraudulent transactions, an official statement said on Wednesday. Banks and financial institutions can use the Financial Fraud Risk Indicator (FRI) in real time, which classifies mobile numbers based on their association with medium, high or very high risk of financial fraud. The data is collected from various sources, including reporting on the Indian Cyber Crime Coordination Centre (I4C's) National Cybercrime Reporting Portal (NCRP), DoT's Chakshu platform, and Intelligence shared by banks and financial institutions. *(Business Standard)*

### **More VRRRs likely as banking system liquidity surplus hits ₹3.31 trn**

Net liquidity in the banking system stood at a surplus of ₹3.31 trillion on July 1, the highest since June 13, according to the latest Reserve Bank of India (RBI) data. This is despite the RBI's recent Variable Rate Reverse Repo (VRRR) auction. The surplus liquidity has kept the overnight weighted average call rate near the Standing Deposit Facility (SDF) rate of 5.25 per cent and below the repo rate of 5.50 per cent. On Wednesday, the weighted average call rate eased further to 5.27 per cent from 5.31 percent the previous day. *(Business Standard)*

### **New project finance norms: Banks seek exemption for smaller loans**

Commercial banks are planning to make a representation to the finance ministry and the Reserve Bank of India (RBI) to seek an exclusion for smaller projects, particularly those undertaken by micro, small and medium enterprises (MSMEs), from the new project finance norms that prescribe a higher general provisioning for lenders during the construction phase. Lenders are pitching for a threshold of ₹100 crore of aggregate exposure for the higher provisioning norms to kick in. On June 19, the RBI announced the final norms for project finance, prescribing a one percent general provision for all projects, as compared to 0.4. *(Business Standard)*

### **Bank credit growth slows to 9.8% in May as NBFC, retail lending dips**

The annual pace of bank lending across retail, agriculture, industry and services sectors slowed down in May 2025 against the same period last year on sharp moderation in segments like personal loan, vehicle loans and shrinking of credit to finance companies, according to Reserve Bank of India (RBI) data. Bankers said besides subdued activity in the first quarter, the slowdown could be attributed to a high base effect and muted growth across segments, including retail. The non-food bank credit as on the fortnight ended May 30, 2025, grew by 9.8 percent on a year-on-year (Y-o-Y) basis as compared to 16.2 percent during the corresponding fortnight of the previous year (May 31, 2024), RBI said in a statement. *(Business Standard)*

## Indian scheduled commercial banks' gross NPA ratio at 15-year low

The Indian scheduled commercial banks' (SCBs) asset quality continues to improve, with gross and net non-performing asset (NPA) ratios at a multi-year low, according to the Reserve Bank of India's (RBI's) latest Financial Stability report. While overall gross NPAs were lower at 2.3 percent (of gross advances) as of March 31, 2025, compared to 2.8 percent a year ago, public-sector banks saw a sharp reduction from 3.7 per cent in March 2024 to 2.8 percent in March 2025. Private-sector banks' gross NPA ratio was stable at 2.8 percent, while foreign banks declined to 0.9 percent. *(Business Standard)*



## External Sector

### 'Mini U.S.-India deal possible but likely symbolic'

While a mini trade between India and the U.S. still seems possible before July 9, such a deal would likely be a 'symbolic one' centred on "low-hanging fruits", according to some industry captains. Such a deal, they added, would be a small beginning in a long journey for the world's largest democracies. According to Atul Keshap, former Ambassador and president, U.S.-India Business Council (USIBC), a mini trade deal would be the first step in the two countries' journey towards achieving the 'Mission 500' target of \$500 billion in bilateral trade by 2030. "There is great promise in building deeper energy and technology ties, in electronics and IT, which will remain strong pillars of our bilateral trade. *(The Hindu)*

### Hope U.S. can complete major pending defence sales to India: Defence Secretary Hegseth

The U.S. has expressed hope that it can complete several major pending American defence sales to India, as it stressed that Washington and Delhi are "mutually aware" of the security concerns in the Indo-Pacific region. External Affairs Minister S. Jaishankar met U.S. Defence Secretary Pete Hegseth on Tuesday (July 1, 2025) at the Pentagon and said he had a productive conversation on advancing the India-U.S. defence partnership, building on growing convergences of interests, capabilities and responsibilities. *(The Hindu)*

### Manufacturing PMI rises to 14-month high on buoyant export orders

Manufacturing activity rose to a 14-month high in June 2025 on the back of strong export orders, according to a private sector survey. The HSBC India Manufacturing Purchasing Managers' Index rose to 58.4 in June, up from 57.6 in May. The performance in June was the highest since April 2024 and well above the Index's long-run average of 54.1. "The manufacturing sector experienced a strong end to the first fiscal quarter, marked by improved trends in output and new orders, alongside a record upturn in employment," the report said. "Companies also welcomed one of the fastest increases in external orders in the over 20 years of survey history." *(The Hindu)*

### Steering the Indian economy amidst global troubles

The global economy is undergoing a significant transformation, marked by shifts in trade policies and continuing geopolitical tensions. We see a return of trade wars, the review of tariffs by countries as well as a surge in negotiations for bilateral trade agreements.

These have led to heightened uncertainties, impacting not just trade but also financial markets and economic growth prospects. With global trade dynamics evolving rapidly, it could lead to a structural realignment of global trade with long-term implications for trade and investments. Businesses will have to weigh the short-term challenges as well as long-term opportunities. Industry has to re-strategise amid rising costs, disrupted supply networks, and asymmetric information. The United States is India's largest export destination accounting for nearly one-fifth of India's merchandise exports. *(The Hindu)*

### **India's forex reserves rise to \$676.3 billion**

India's foreign exchange reserves stood at \$676.3 billion as of April 4, Reserve Bank of India Governor Sanjay Malhotra said on Wednesday (April 9, 2025) the highest level in five months and gaining for a fifth consecutive week. The reserves rose by \$10.9 billion in the reporting week, the most in a month, after increasing by a cumulative \$26.7 billion in the prior four weeks. The reserves provide an import cover of about 11 months, Reserve Bank of India Governor Sanjay Malhotra said, while announcing the policy decision. *(The Hindu)*

### **India, U.S. decide to hold sector-specific talks for proposed trade pact in coming weeks**

India and the U.S. have decided to hold sector-specific talks in the coming weeks to finalise the structure of the proposed bilateral trade agreement (BTA), the government said on Saturday (March 29, 2025). The engagement between the two countries came in the backdrop of the USA's threat to impose reciprocal tariffs on its key trading partners, including India, on April 2. The decision to hold discussions in the coming weeks follows four days of talks — between senior officers of India and the U.S.— which concluded here on Saturday. *(The Hindu)*



## **Agriculture and Rural Economy**

### **GVA per worker in agri rose by 54% in nine years**

Gross Value Added (GVA) per worker in agriculture increased by 54% between FY 2015-16 and FY 2024-25, rising from ₹61,247 to ₹94,110, according to the SDG-NIF Progress Report 2025 released by the Ministry of Statistics. The report highlights improved agricultural productivity and rising income per worker. It also noted a significant expansion in social protection coverage, with 64.3% of the population covered in 2025 compared to 22% in 2016. Access to improved drinking water sources in rural areas rose to nearly 100% from 94.57%. The share of renewable energy in total installed electricity generation increased from around 16% to over 22%, reflecting progress across key sustainable development goals. *(BusinessLine)*

### **Dimitra pioneers digital token of farm data to help growers access finance**

Dimitra Inc, based in the British Virgin Islands, is using blockchain to convert farm data and assets into digital instruments through its Ethereum-based utility token, \$DMTR. CEO Jon Trask said the platform helps farmers in countries like Kenya, Mexico, and Brazil access financing and markets. The company's Agriculture Operating System combines blockchain, AI, IoT, and satellite services to support small and medium farmers in over 70 countries, including India. Its Connected Farmer app helps track inputs, monitor

crops, and manage harvests. For Indian coffee growers, Dimitra's Connected Coffee platform ensures EU Deforestation Regulation compliance through geolocation, satellite verification, and traceability tools, aiding continued access to European markets. *(BusinessLine)*

### **Higher paddy, pulses coverage buoys kharif sowing**

The overall acreage under all kharif crops continued to be higher as farmers began sowing earlier than normal due to the early onset of the monsoon. Except for some parts of Chhattisgarh and Odisha, almost all the States received monsoon rainfall before its normal schedule, the India Meteorological Department (IMD) said on Monday. Allaying the fears of farmers, IMD's Director-General M Mohapatra said that July, the critical month with regard to sowing operations as the maximum area is covered, will see "normal to above-normal" rain across the country, except in Tamil Nadu, Kerala, Bihar, the northern districts of Jharkhand and some areas of Jammu and Kashmir. According to the Agriculture Ministry's data, as much as 258.57 lakh hectares (lh) have been planted under different crops in the ongoing kharif season until June 27, up 11.5 percent from 231.84 lh a year ago. *(BusinessLine)*

### **How machines are learning to recommend the right crop season**

As Indian farmers face climate challenges and lower yields compared to countries like China, artificial intelligence (AI) is emerging as a powerful tool to guide them. Machine learning (ML)-based crop recommendation systems are helping farmers choose the right crops for better productivity and income. Two independent studies have found that the 'random forest' ML model offers the highest accuracy for crop prediction. One study, by Brunel University scientists, used data from 15 Indian states and found that incorporating past crop data (lag variables) made the model more practical and effective. Another study from Prakasam Engineering College in Andhra Pradesh reported 99.3% accuracy using the random forest model. These systems combine environmental and market data to give tailored, data-driven guidance, offering small farmers a way to improve yields, profits, and resilience against climate change. *(BusinessLine)*

### **Kerala raises concern over India-US pact hurting agriculture**

Kerala has strongly opposed the proposed India-US trade deal, citing risks to its agriculture and small farmers. Agriculture Minister P Prasad warned that US demands for concessions in agriculture and dairy could harm Kerala's economy, which relies on crops like coconut, pepper, and rubber. With the July 9 tariff deadline nearing, he urged consultations with States before finalising any pact. Prasad also criticised NITI Aayog's suggestion for GM crop imports, saying it contradicts national policy and threatens Kerala's organic farming and biodiversity. *(BusinessLine)*

### **Indian scientists are arming plants through gene editing. And climate-proofing them**

Crops are increasingly vulnerable to unseasonal rains, soil salinity, heat, and pests, says PV Shivaprasad, associate dean of research at NCBS, Bengaluru. He blames decades of overprotection since the Green Revolution for weakening plants' natural defences. "We've pampered our plants so much that they've lost their ability to fight what's trying to kill them," he said, stressing the need to develop tougher, more resilient crops. *(Mint)*



### **Global fashion giant Prada acknowledges Kolhapuri inspiration**

Italian luxury fashion brand Prada has acknowledged being inspired by 'traditional Indian handcrafted footwear, with a centuries-old heritage' for its sandals featured in the recent Men's Spring/Summer 2026 collection, after being slammed for failing to acknowledge the resemblance to India's GI-tagged Kolhapuri chappals. Representatives of the Maharashtra Chamber of Commerce, Industry and Agriculture, which communicated with Prada, said that Prada was likely to send its team to explore any possibility of collaboration on the product in the near future. Meanwhile, the business body has decided to patent the Kolhapuri chappals to avoid any infringement of rights in the future. The Kolhapuri chappal makers have also welcomed Prada's acknowledgment, but have expressed an expectation that the brand should do more to help their trade. *(The Hindu)*

### **Retail sector may soon jump into 9-10% growth mode: RAI**

The Indian retail sector, pegged at \$900 billion and growing at 5% currently, is expected to soon jump into a 9-10% growth pace, as markets seem ready with the right consumer base and increasing spending power, according to the Retailers' Association of India (RAI), a trade body which represents chain store retailers, independent retailers, e-commerce players and retail service/technology providers across the country. "Immediately after the pandemic, the retail sector got into a 20% growth rate, but in the last one year the growth has slowed to 5%, but we expect the growth to get into 9% to 10% range soon," CEO Kumar Rajagopalan told The Hindu. He said the emerging industry trends indicated increased consumption backed by the right consumer base and growing disposable incomes. "So, we are soon expecting a jump in the pace of growth from current levels to match the market demand. We've got the population to support." *(The Hindu)*

### **IIP growth slips to 9-month low of 1.2% on broad-based slowdown**

Growth in industrial activity in India slumped to a nine-month low of 1.2% in May, with the mining, electricity, primary goods, and consumer goods sectors all contracting, and manufacturing growth slowing sharply as compared with their levels in May last year, as per the Index of Industrial Production released on Monday. The manufacturing sector saw its growth rate nearly halving to 2.6% in May from last year's level while the electricity sector contracted 5.8% against a growth of 13.7% in last May. *(The Hindu)*

### **'Manufacturing rises to 14-month high on buoyant export orders'**

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### **ITI to deploy BharatNet's ₹1,901 cr. project in NE Region**

ITI Ltd., independent India's first PSU and a telecom manufacturing company, on Monday signed an agreement as Project Implementing Agency (PIA) with BSNL on behalf of the Universal Service Obligation Fund (USOF) for NER-II (North Eastern Region) Package-15 of BharatNet Phase-3 Project. According to the PSU, the total value of the contract is ₹1,901 crore, including capital expenditure (capex) and operating expenditure (opex). *(The Hindu)*

### **Switch to green steel in India will take decades, say industry leaders**

While India's steel industry is gearing up to transition towards green steel, a full-scale switch will take decades, steel industry leaders and experts said on Thursday. Meanwhile, they called for supportive government policies and a move to reduce emissions. Speaking at the 14th India Minerals and Metals Forum held by the Indian Chamber of Commerce (ICC) in New Delhi, Jindal Stainless Managing Director Abhyuday Jindal said the transition has started. "The shift to green steel is a transition, and adopting low-emission processes in production is the right starting point," he said. The successful transitions in other countries were largely enabled. *(Business Standard)*

### **Sugar sector grown into ₹1 trillion industry: Food Minister Pralhad Joshi**

India's sugar sector has grown to become a Rs 1.3 lakh crore industry, and it is driving rural prosperity and energy security, Union Food Minister Pralhad Joshi said on Thursday. The minister was addressing the 'Cooperative Sugar Industry Conclave 2025' & 'National Efficiency Award Ceremony'. "Under the PM Shri @narendramodi ji's leadership, India's sugar sector has grown into a Rs 1.3 lakh crore industry (annually), driving rural prosperity, energy security and green power through reforms like record ethanol blending and Atmanirbharta in fuel," Joshi said on a social media post. *(Business Standard)*

### **India's industrial strategy is feeding big business, but not growth**

Luigi Zingales of the Chicago Booth Business School argues that we should support "pro-market" policies that improve the functioning and fairness of markets, and oppose "pro-business" policies that serve special interests, restrict competition, and impose huge costs on taxpayers. The need to promote pro-market rather than pro-business policies goes all the way back to Adam Smith. India has bet not just on detrimental pro-business policies to drive its industrial development, but also on pro-big business policies. India's industry is becoming increasingly concentrated with the Big Five gaining ground not only at the expense of overall industry, but even at the expense of the next five and the next 20 business groups. *(Business Standard)*.



## **News on Kerala**

### **Govt. allocates ₹122 crore to KSRTC as financial assistance**

The State government has allocated ₹122 crore as financial assistance to the Kerala State Road Transport Corporation (KSRTC) this month. Of this, ₹72 crore has been allocated for pension distribution, while the remaining ₹50 crore is the financial assistance to the public utility, including for paying overdraft dues. During the tenure of the Left Democratic Front government, the ailing transport utility received ₹6,523 crore as

assistance. The Budget allocation for the KSRTC this financial year is ₹900 crore. Of this, ₹388 crore was made available within three months. (*The Hindu*)

### **Workshop on resource mobilisation in grama panchayats held**

Local bodies turning self-sufficient through the improvement of their own revenue will go a long way in strengthening democratic decentralisation, Seventh State Finance Commission chairman K.N. Harilal has said. Dr. Harilal was addressing a workshop, 'Resource Mobilisation in Grama Panchayats,' organised by the Public Policy Research Institute (PPRI) as part of studies being conducted by it for the 7th State Finance Commission. The share of non-tax revenue in the own funds of local bodies has dipped from 41% in 1997-98 to 22% in 2021-22. Although there are 34 items in the non-tax revenue lists of grama panchayats, they receive only nominal income from many of these sources. PPRI Director Mohanakumar S. said that per capita revenue for local bodies is higher in Kerala compared to the national average as the State's decentralisation process transformed local bodies into strong institutions. (*The Hindu*)

### **Digital land survey fourth phase to begin in August**

The final notification in 60% of the 312 villages where digital land survey has been completed will be published by August, Minister for Revenue K. Rajan has said. At a press conference on the sidelines of the Bhoomi national conclave on smart land governance at Kovalam on Friday, the Minister said the final notification had been delayed owing to certain amendments to rules. The final notification had been issued for two villages in the State – Ujarulvar in Kasaragod and Mankad in Kollam. The survey in three phases covered 639 villages. The fourth-phase survey covering 200 villages would begin in August, the Minister said. (*The Hindu*)

### **Kerala Care initiative to offer comprehensive palliative care project**

Chief Minister Pinarayi Vijayan has said that Kerala has set a new model in the health sector through the Kerala Care palliative network initiative. The project aims at providing comprehensive medicare to bedridden patients in the State, he said at the State-level inauguration of the Kerala Care palliative network here on Saturday. He said the government is committed to ensuring relief to the patients by setting up a network that included government and non-governmental institutions involved in palliative care. The various palliative care units in the governmental and private sectors will be brought under a single umbrella, he said. (*The Hindu*)

### **Kottayam becomes Kerala's first district to eradicate extreme poverty**

The Kerala government's mission to eliminate extreme poverty achieved a major milestone on Saturday with Kottayam becoming the first district in the State to be officially declared free of extreme poverty. Minister for Local Self-Governments M.B. Rajesh made the announcement here. "One of the first decisions taken by this government in 2021 was to eliminate extreme poverty by November 1, 2025. A Statewide survey conducted through Kudumbashree identified 64,006 families living in extreme poverty. Today, 93% of those families have been uplifted from that condition. The progress made by Kerala has drawn attention from across the country. In fact, such a targeted effort has only been seen previously in China," the Minister said. (*The Hindu*)

### **State's GST success built on diligence, taxpayer-centric approach: official**

The Thiruvananthapuram CGST Zone in Kerala achieved remarkable growth, with an 18% increase in GST revenue and a 14% rise in Central Excise collections. According to S.K. Rahman, Chief Commissioner, Central Tax and Central Excise, Kerala Zone (Former Joint Secretary, GST Council), the performance stands in sharp contrast to the modest 5% growth recorded in the previous year. *(The Hindu)*

### **Recast high-cost KIIFB loan, regulatory panel tells KSEB**

The Kerala State Electricity Regulatory Commission has directed the Kerala State Electricity Board (KSEB) to refinance a loan totalling ₹2,091.68 crore availed from the Kerala Infrastructure Investment Fund Board (KIIFB) on the grounds that the interest rate was on the higher side. The directive is part of the commission's June 30 order on the truing up of KSEB accounts for 2023-24. *(The Hindu)*

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