



## Public Finance

### **India's govt debt projected to decline to 71% of GDP by FY35 from current 81%: CareEdge Ratings**

India's general government debt is expected to moderate steadily over the next decade, declining from the current 81 percent of GDP to about 77 percent by FY31 and further to 71 percent by FY35, according to a report released by CareEdge Ratings. The report highlighted that amid the global landscape of rising government debt, India is projected to follow a path of fiscal consolidation, supported by sustained GDP growth and prudent fiscal management by the Centre. (*The Economic Times*)

### **Fiscal trends indicate Kerala can stabilise debt while setting examples for taking development goals and fiscal responsibility together, says new research paper**

Recent fiscal trends indicate that Kerala can, through disciplined management, stabilise its debt while setting an example of how development goals and fiscal responsibility can move together, a new research paper has stated in the context of the recent findings of the Comptroller and Auditor General (CAG). From Pandemic Spike to Sustainable Path, an upcoming paper by P.S. Renjith, Assistant Professor, Gulati Institute of Finance and Taxation (GIFT), takes a look at the State's debt profile in the context of the recently published CAG report, 'State Finances 2022-23: A Decadal Analysis,' which has suggested that Kerala's fiscal position may not be as precarious as earlier feared. (*The Hindu*)

### **At ₹1.13 lakh crore, capex by 60 CPSEs jumped more than double in September**

With high spending on railways and roads, capital expenditure of 60 Central public sector enterprises (CPSEs) and four organisations surged more than double in September as against August and touched the highest figure in nine months, data from Department of Public Enterprises (DPE) showed. Capital expenditure by CPSEs is key to overall growth, as private sector capex is though picking up but still below expectations. (*BusinessLine*)

### **India's April-August fiscal deficit rises to ₹5.98 trillion, 38.1% of the annual target**

India's fiscal deficit rose in the first five months of 2025-26, as compared with the same period last year, due to higher government capital expenditure while net tax revenue declined. The Union government reported a fiscal deficit of ₹5.98 trillion for April-August, amounting to 38.1% of the target for the entire 2025-26 fiscal year, according to data released by the Controller General of Accounts on Tuesday. The government has maintained a strong commitment to fiscal consolidation, with the deficit for FY26 projected at ₹15.69 trillion, 4.4% of the GDP. (*Mint*)



### **Post GST cut, insurance enquiries surge in the last week of September**

The waiver of the Goods and Services Tax (GST) on individual life and health insurance appears to be generating greater interest in going in for the coverage. The Centre waived 18 percent GST on the sale of life and health insurance as part of the tax reforms aimed at rationalisation of GST, and this came into effect from September 22. According to insurers, there was a notable increase in enquiries and sales in the first week of the new GST regime. (*BusinessLine*)

### **SC to decide on securities transaction tax's constitutionality**

The Supreme Court of India on Monday decided to examine a plea challenging the constitutional validity of the Securities Transaction Tax (STT), a direct tax levied on securities transactions through a listed stock exchange, as imposed under the Finance Act, 2004. A Bench headed by Justice J.B. Pardiwala issued formal notice to the Union Government on the petition filed by Aseem Juneja, represented by advocate Siddhartha K. Garg, who contended that the STT violated fundamental rights to equality and to trade or earn a livelihood and the basic right to live with dignity. The petition clarified that the challenge to the STT was not because the taxation on the stock market participants had increased or that the taxation was currently high. (*The Hindu*)

### **India said to probe Adani Defence for tax evasion on missile-part imports**

Indian authorities are investigating Adani Enterprises' defence unit for evading import taxes on components used to make missiles, two government sources with direct knowledge said, marking the newest regulatory scrutiny of the group. Adani Defence Systems and Technologies is one of the smaller businesses of the coal-to-airports conglomerate of billionaire Gautam Adani. It makes defence equipment like missiles, drones and small arms, mostly for Indian security forces. (*The Hindu*)

### **CAG report flags flaws in e-way bill system under GST**

A performance audit by the Comptroller and Auditor General of India (CAG) has revealed systemic issues in the e-way bill system under the Goods and Services Tax (GST) mechanism, raising concerns about accuracy in tax reporting. The report was tabled in the State Assembly on Thursday. Although the e-way bill was introduced for quick and easy transport of goods, a lack of effective coordination between the e-way bill common portal and the GST common portal led to failure of automated validation controls, it said. (*The Hindu*)



## National Accounts and State of the Economy

### **World Bank ups FY26 growth outlook to 6.5% on but downgrades next year's forecast due to Trump tariffs**

For the current financial year, the World Bank said India's growth has been revised upwards to 6.5% from the earlier prediction of 6.3%. It noted that growth was bolstered by strong private consumption and investment and boosted by lower-than-expected prices. The government's reforms to the GST reducing the number of tax brackets and simplifying compliance — are expected to support activity. However, it has revised downward its forecast for 2026-27 to 6.3%, saying the impact of the U.S. tariffs will dampen growth. (*The Hindu*)

### **We are ready to invest more in India: Ericsson executive Andres Vicente**

Swedish telecom gear maker Ericsson has told the government that it is ready to invest more if the latter supports the development of the broader supply chain, including areas like filters, chip fabrication, and other component manufacturing said Andres Vicente, head of Southeast Asia, Oceania, and India. The top executive told, India is well-positioned to become a global alternative manufacturing hub for telecom equipment, which was central to the company's future growth, considering that it has the largest number of employees in India and a large research and development (R&D) base. (*Business Standard*)

### **India aims to double bilateral trade with UK to \$120 billion by 2030: Modi**

Today, India's bilateral trade is approximately \$56 billion, thus having set a target of doubling it by 2030. British prime minister Keir Starmer said that the India-UK free trade agreement will add "billions of pounds" to UK's GDP and hundreds of billions of rupees to India's, as well as add billions to wages. (*Mint*)

### **Rajasthan CM seeks expatriate Rajasthanis' support for gems, jewellery hub**

Rajasthan Chief Minister Bhajan Lal Sharma has called upon non-resident Rajasthanis settled in Gujarat to contribute in making the State a global gems and jewellery hub. Mr. Sharma said Rajasthan was poised to become a \$350-billion economy and had an investment- friendly environment. The 'Rising Rajasthan' partnership conclave, is aimed at strengthening the State's ties with the global Rajasthani diaspora. (*The Hindu*)

### **Why Indian capital needs to invest domestically**

As the global economy now moves to an extended period of uncertainty, due to tariffs and fluctuations in world trade, India's private business houses have to work closely with the government and align with public interest to maintain the economy's growth momentum. In India, domestic capital has an important role to play in stimulating domestic demand via three routes. First, the creation of a wage-labour class; second, the productivity-enhancing effects of industrial mass production; and third, changes in the composition of demand as personal incomes grew. (*The Hindu*)

### **Avaada to invest ₹36,000 crore in solar, wind and BESS projects in Gujarat**

Gujarat Chief Minister Bhupendra Patel said Avaada's investment in solar, wind, and battery storage strengthens the state's plans for sustainable growth. The green energy company will establish 5 gigawatt (Gw) solar power capacity, 1 GW wind energy capacity and 5 GW hour capacity of BESS Projects in Kutch, Banaskantha and Surendrangar districts. The projects are expected to be commissioned between 2027 and 2030. *(Business Standard)*

### **Best time to invest, innovate and make in India, says PM Modi at IMC 2025**

At India Mobile Congress 2025, PM says India's 5G reach and indigenous 4G stack show the country's progress from telecom dependence to technological leadership. India is among only five nations capable of launching fully homegrown 4G services. The new BSNL network is designed to transition seamlessly to 5G over the next six to eight months, Union Telecom Minister Jyotiraditya Scindia had earlier said. *(Business Standard)*



## **Banking and Monetary Policy**

### **RBI appoints Sanjay Kumar Hansda as Executive Director**

The Reserve Bank of India (RBI) on Thursday appointed Sanjay Kumar Hansda as Executive Director (ED) with effect from March 03, 2025. He reported back to the central bank on October 06, 2025, on completion of his deputation as Senior Advisor to ED (India), International Monetary Fund (IMF). As Executive Director, Hansda will look after the Department of Economic and Policy Research. Prior to being promoted as ED, Hansda was serving as Adviser, Department of Economic and Policy Research. He also served as Adviser, Monetary Policy Department, and as Officer-in-Charge/Director, Internal Debt Management Department. He had a stint as Analyst (financial stability), Bank of England, on a secondment from the RBI. *(The Economic Times)*

### **RBI's latest policy measures are big relief for NBFCs and infra lending NBFCs: Morgan Stanley**

The Reserve Bank of India's (RBI) October policy measures are major relief to India's non-banking financial companies (NBFCs) according to a Morgan Stanley report. The report interprets the policy changes as reflecting a supportive stance towards NBFCs and infrastructure financing sectors. Morgan Stanley noted that the RBI has removed the proposed restriction on overlaps in businesses undertaken by a bank and its group entities in the final regulations on Forms of Business and Prudential Regulation for Investments. These regulations are expected to be released shortly. *(The Economic Times)*

## **A high five from RBI: Credit reforms to fuel M&As, IPOs and cooperative bank revival**

Oct 1 was not a day for monetary policy. It was actually an occasion to celebrate sweeping big-ticket credit market reforms. Finally, overhaul triumphed over the policy of gradualism followed by the RBI. The announcements showed that this was more of a credit policy than a conventional monetary policy, signalling a bold shift in approach. By maintaining the status quo on the repo rate and monetary stance, the regulator quickly moved on to announcing 22 separate measures. Coming soon after GST 2.0 concessions, credit reforms promise to place unspecified hard currency and soft money in the hands of corporate acquirers, exporters, M&A specialists, IPO market pushers, and margin financiers. *(The Economic Times)*

## **RBI Governor urges banks and fintechs to focus on data aggregation, asset tokenisation, CBDC**

Banks and fintechs should collaborate more and improve to enhance aggregation, leverage financial data, build more use-cases for central bank digital currency (CBDC) or the e-rupee, enable asset tokenisation across different asset classes, and counter the menace of digital frauds together, said Reserve Bank of India (RBI) Sanjay Malhotra at the Global Fintech Festival (GFF). *(BusinessLine)*

## **Gnani.ai launches digital twin to improve bank accessibility in smaller Indian cities**

Gnani.ai launched a self-cloned Digital Human at Global Fintech Fest 2025. The avatar has been created from a user-approved source video and voice reference built on Gnani HumanOS. The company showcased a live demo, a short explainer featuring a side-by-side comparison of real and digital experiences, highlighting practical deployments. Gnani.ai found that banks were more invested in using the mechanism to serve the local communities rather than metro regions. *(BusinessLine)*

## **UK's Revolut to launch payment platform in India, eyes 20 million users by 2030**

London-based digital finance firm Revolut said on Wednesday it will launch its payment platform in India, its first foray into one of the world's largest digital payments markets, as part of a planned global expansion. Revolut will let Indian users make domestic and international payments via its tie-ups with the Unified Payments Interface and Visa, starting with 3,50,000 waitlisted customers later this year before opening to others. *(BusinessLine)*

## **RBI launches draft Expected Credit Loss norms for universal banks**

In a bid to align Indian banks' provisioning standards with those of global banks, the Reserve Bank of India (RBI) today proposed replacing the incurred-loss-based provisioning framework with an expected credit loss (ECL)- based provisioning framework. The draft norms on asset classification, provisioning and income recognition will be applicable to universal banks, effective April 1, 2027. The key elements of the proposed framework include the introduction of staging criteria for asset classification under the ECL approach, while retaining the extant norms for Non-performing Asset (NPA) classification. *(BusinessLine)*

### **UPI gets a biometric boost: Pay with face, fingerprint or wearables**

In a major upgrade to India's digital payments ecosystem, the government on Tuesday unveiled a clutch of new features for the Unified Payments Interface (UPI), including on-device biometric authentication that allows users to approve payments using their phone's fingerprint or face unlock, and completing transactions via wearable smart glasses. The initiatives aim to make UPI payments faster, more secure and more inclusive, while keeping data within users' devices. *(BusinessLine)*

### **Cooperative banks attract investors with higher rates**

Retail depositors are increasingly turning to cooperative banks as lower deposit rates at scheduled commercial banks push savers to seek better returns. For the fortnight ended September 19, 2025, term deposits with cooperative banks rose by Rs 2,866 crore or 0.7% to Rs 4.47 lakh crore, up from Rs 4.44 lakh crore on September 5. In contrast, term deposits across all scheduled commercial banks, including public, private, regional rural, small finance, and payment banks, fell by Rs 78,888 crore or 0.4% to Rs 206 lakh crore. *(Financial Express)*

### **RBI reforms: HNIs, family office eyeing corporate debt market**

The Reserve Bank of India's (RBI) proposal of lifting restrictions on loans against corporate debt has seen a new wave of interest among HNIs, family offices, corporate treasuries and institutions. Players see the move to improve depth and breath in the corporate bond market. "As more bonds are pledged and traded, market depth, turnover, and bid-ask efficiency are likely to improve, driving greater liquidity across the fixed-income spectrum," said Vishal Goenka, co-founder, IndiaBonds. *(Financial Express)*



## **External Sector**

### **APEDA allowed to retain 30% of non-Basmati export fee; Basmati exporters cry foul over disparity**

The Commerce Ministry has authorised its agri-export promotion body, Apeda, to retain 30 percent of the registration fee collected from non-basmati rice export contracts. The fee has been set at ₹8 per tonne (plus GST), and a committee has been set up to decide how the remaining funds will be used. However, this has sparked discontent among basmati rice exporters, who questioned why they were required to contribute 50 percent of similar fees for developmental purposes. *(BusinessLine)*

### **India will likely be the swing factor in global sugar market this season**

India will be the swing factor for the new sugar season, which began on October 1, with a likely surplus of 7 million tonnes (mt) in sugar production, industry analysts and experts say. India's 7 million tonnes (mt) sugar surplus in the 2025-26 season will be divided between meeting demand for ethanol and exports. It sees 4.5 mt of the surplus from the

gross production of 35.9 mt production being diverted for ethanol, while exports could be between 1 mt and 2 mt. (*BusinessLine*)

### **Textile industry appeals against anti-dumping duty on Mono Ethylene Glycol**

The textile industry has appealed to the government not to levy anti-dumping duty on Mono Ethylene Glycol (MEG), which is one of the main raw materials used in the production of polyester fibre and filament. The annual requirement of MEG is 28 lakh tonne and almost 12 lakh tonne is imported from Singapore, Qatar, and Saudi Arabia. The industry cannot import MEG from China on account of Quality Control Order restrictions. One of the critical raw materials of manmade fibre, yarn, filament, fabrics and garments — MEG— is going to become 20% more expensive due to the proposed imposition of anti-dumping Duty (ADD). (*The Hindu*)

### **India's trade dependence on the US up 0.6% in last 12 months: UNCTAD**

India's trade reliance on the US grew slightly. Global trade remains strong, driven by developing nations, even with US policy changes. Electronics and electric vehicles are boosting trade. While global trade is projected to hit new records, ongoing geopolitical tensions and US policy uncertainty pose risks to the outlook. (*The Economic Times*)

### **India-UK sign Terms of Reference to reposition the Joint Economic and Trade Committee (JETCO)**

India and the United Kingdom have signed Terms of Reference to reposition the Joint Economic and Trade Committee. This move aims to strengthen their economic partnership and drive the implementation of the India-UK Comprehensive Economic and Trade Agreement. Both nations are working to double bilateral trade by 2030. Business leaders met to discuss new opportunities in trade and investment. (*The Economic Times*)

### **SEZ units seek QCO relief, local sale flexibility**

Special Economic Zone developers and units are seeking exemptions from quality control orders, minimum import price, and port restrictions to facilitate imports. They also requested policy amendments for Free Trade Warehousing Zones to import new vehicles and greater flexibility for domestic sales and reverse job work to utilize unutilized capacities. (*The Economic Times*)

### **India was net importer of finished steel in September, govt data shows**

India became a net importer of finished steel in September, with shipments totaling 0.65 million metric tons, a 36.3% decrease year-on-year. Despite this, the country's finished steel production rose by 14.7% to 13.3 million metric tons, while consumption increased by 9% to 13.5 million metric tons. (*The Economic Times*)

### **Beijing seeks assurance from India on no US re-export of heavy rare earths**

China has demanded fresh guarantees from India before resuming shipments of heavy rare earth magnets, vital components for electric vehicles, renewable energy systems and defence technologies. The move comes amid Beijing's push to tighten control over its rare earth exports and ensure that materials supplied to India are not re-exported to the United States. (*Business Standard*)

## India dials up record smartphone exports; shipments touch \$13.4 bn in H1

Smartphone exports for the first six months (April to September) of 2025–26 (FY26) surged to \$13.4 billion, based on industry estimates. Driven by the production-linked incentive (PLI) scheme, this marks a 59 percent jump over the \$8.5 billion exported during the same period of the previous financial year (2024–25/FY25). (*Business Standard*)



## Agriculture and Rural Economy

### Farmers in ₹3 lakh crore loss due to non-implementation of Swaminathan commission's MSP formula: AIKS

Paddy, wheat and maize farmers in Bihar have lost around Rs 10,000 crore in 2024-25 due to the non-implementation of Minimum Support Price according to the C2+50 percent formula given by the MS Swaminathan-chaired National Commission on Farmers, the All India Kisan Sabha said on Thursday. Overall, in the year 2024-25, farmers cultivating the 20 major Kharif and Rabi crops could have earned nearly ₹3 lakh crore more if their produce had been procured at prices fixed as per the C2+50 percent formula, the AIKS said. (*BusinessLine*)

### Government seeks self-sufficiency in pulses, aims to increase cultivation area to 31 million hectares by 2030-31: Shivraj Singh Chouhan

Union Agriculture Minister Shivraj Singh Chouhan on Thursday said the government aims to raise the area under pulse cultivation from 27.5 million hectares to 31 million hectares by 2030–31. Chouhan noted that the central government's main priorities are ensuring food security, increasing farmers' incomes, and promoting nutritious grains. (*The Economic Times*)

### More women employed in agriculture, but half of them are unpaid

Women-led development has been recognised as a structural game-changer for advancing India's economic ambitions, yet its full potential remains under-leveraged. Nowhere is harnessing this potential more urgently than in the agriculture sector, the backbone of India's economy and the largest employer of its women. Despite their growing presence on farms, women's contributions remain systematically unremunerative. By leveraging recent shifts in trade and technology, India has an unprecedented opportunity to unlock pathways that recognise women as equal partners in agricultural transformation. (*The Hindu*)

### Govt likely to extend PM-KUSUM deadline again

The government is likely to extend the deadline for the PM-KUSUM scheme once again, as two major components of the initiative have failed to achieve even 50 percent of their targets, an official source said. Launched in 2019, the Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) aimed to add a solar capacity of 30,800 MW by 2022, with a total central financial support of Rs 34,422 crore, including service charges for implementing agencies. (*The Economic Times*)

### **Inside Bihar's silent agricultural revolution: What has changed, and how**

Bihar Assembly elections dates have been announced, with the polling scheduled to take place between November 6 and 11. In a state where nearly 75 percent of the population depends on agriculture, Bihar has been steadily transforming its rural economy by improving yields, diversifying crops, and empowering women as agri-entrepreneurs. Farmers are increasingly embracing climate-smart techniques, mechanisation, and organic farming. (*Business Standard*)



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

### **CCI warns AI boom could entrench digital monopolies, urges fair data access**

Artificial Intelligence may be powering a new wave of efficiency and innovation, but it is also tightening the hold of a few dominant digital firms, the Competition Commission of India (CCI) warned in its 'Market Study on Artificial Intelligence and Competition'. The regulator said that while AI had become a key driver of growth across industries, it was also reshaping market structures in ways that could limit competition and restrict opportunities for smaller players. As AI spreads rapidly through finance, retail, healthcare, logistics and manufacturing, the CCI said competition law and enforcement tools must evolve to keep pace. (*BusinessLine*)

### **Fear of gold shortage grips jewellers as demand rebounds despite soaring prices**

Fear of gold shortage in the physical market has gripped jewellers following a sharp rebound in demand even as the prices of the precious metal soared to new highs in global and domestic markets. With the gold prices skyrocketing every day, consumers are rushing to purchase jewels at the lowest possible price. "Gold is in demand more for investment than jewellery," said N Anantha Padmanaban, Chairman of Chennai-based NAC Jewellers. (*BusinessLine*)

### **Govt revises PLI scheme for MMF, technical textiles to encourage fresh investments**

The Textiles Ministry has announced significant revisions in the Production Linked Incentive (PLI) Scheme for man-made fibre (MMF) apparel and fabrics, and products of technical textiles to make the scheme more attractive for investors. These include expanding the list of eligible products that can benefit from the Scheme in the given categories, doing away with the requirement of setting up new companies, reducing by half the minimum investment threshold and also lowering the incremental turnover criteria, per a statement issued by the Textiles Ministry on Thursday. (*BusinessLine*)

### **IMC 2025: Adoption of 6G technology could add \$1.2 trillion to India's GDP by 2035: Scindia**

The government said that India's ambitions will extend well beyond 5G, with a target of securing 10 percent of 6G patents, and adoption of 6G technology could add as much as

\$1.2 trillion to the country's GDP by 2035. Speaking at the India Mobile Congress 2025, Telecom Minister Jyotiraditya Scindia said that satellite communications (satcoms) are poised for exponential growth, with the market set to triple by 2033 and the Centre has earmarked around ₹900 crore for setting up a National Satcom Monitoring facility. [\(BusinessLine\)](#)

### **'AI, GenAI training emerge as top priorities for Indian enterprises in FY26'**

The demand for technical skills has expanded beyond traditional IT teams, with AI and GenAI training emerging as key workforce training priorities for FY26. According to a report by Great Learning for Business, the enterprise training arm of Great Learning, approximately 48 percent of organisations prioritising this domain are from the IT & IT-Enabled Services sector, followed by Manufacturing & Supply Chain 14 percent and Banking, Financial Services & Insurance and Healthcare & Pharmaceuticals with 10 percent each. [\(BusinessLine\)](#)

### **Beyond the runway: The nuts and bolts of aircraft maintenance**

The Indian government forecasts that air transport will grow by 80 percent over the next five years, reaching approximately 400 million passengers from around 220 million in 2024. This growth is supported by the approval of 21 new airports and nearly 1,800 aircraft on firm order by major airlines like Air India, Indigo and Akasa. However, supporting this transformative growth brings challenges, especially in supply chain and maintenance, repair and overhaul (MRO) capabilities. [\(BusinessLine\)](#)

### **How is AI transforming teaching and learning practices in Indian classrooms?**

The U.S.-based ChatGPT, developed by OpenAI, announced the opening of its first office in India this year. Union Minister for Electronics & Information Technology Ashwini Vaishnaw remarked that India is uniquely positioned to drive the next wave of AI-led transformation. With OpenAI, the India AI Mission aims to build an ecosystem for trusted and inclusive AI. Besides, another U.S.-based company, NVIDIA, a world leader in artificial intelligence computing, had announced a partnership with India's Reliance company in 2023. [\(The Hindu\)](#)



## **News on Kerala**

### **Centre's poor fund allocation will not affect Wayanad rehabilitation: Rajan**

Revenue Minister K. Rajan has accused the Union government of neglecting Kerala in the allocation of disaster relief funds for Wayanad's post-landslide rehabilitation, but promised that the project will be completed on schedule. "It is learnt that the Centre has sanctioned ₹260.65 crore as assistance for landslide-hit Wayanad, but the State is yet to receive the amount. Only a recommendation has been made. This is a deliberate move to deny Kerala its rightful share and reflects the Centre's discriminatory approach towards the State," the Minister said. [\(The Hindu\)](#)

### **Ensure presence of ST students in public schools, says DGE**

The Director of General Education (DGE) has issued a circular with strict directives to ensure the continuous presence of Scheduled Tribe (ST) students in public schools across the State. This is to ensure that ST students' learning is not disrupted and that they get individual attention, accelerating their educational progress. As part of the initiative, all schools are mandated to use the 'Sampoorna Plus' mobile app and portal developed by the Kerala Infrastructure and Technology for Education (KITE) for accurately recording the attendance of the ST students. The directives are based on the decisions following a State-level coordination committee meeting, which focussed on improving the studies of the ST students. *(The Hindu)*

### **FICCI award for KITTS**

The Kerala Institute for Tourism and Travel Studies (KITTS), an entrepreneurship and human resource development centre under the State Tourism department, has been bestowed with the national honour of the Federation of Indian Chambers of Commerce and Industry (FICCI) for 'Excellence in Creating Employment and Entrepreneurship'. KITTS received the special jury award for its "unparalleled achievements". KITTS Director Dileep M.R. received the award at the 20th FICCI International Higher Education Summit held in New Delhi. *(The Hindu)*

### **Fiscal trends indicate that Kerala can stabilise its debt: new research paper**

Recent fiscal trends indicate that Kerala can, through disciplined management, stabilise its debt while setting an example of how development goals and fiscal responsibility can move together, a new research paper has stated. Kerala's Debt Story: From Pandemic Spike to Sustainable Path, an upcoming paper by P.S. Renjith, Assistant Professor, Gulati Institute of Finance and Taxation (GIFT), takes a look at the State's debt profile in the context of a recently published Comptroller and Auditor General (CAG) report, 'State Finances 2022-23: A Decadal Analysis,' which has suggested that Kerala's fiscal position may not be as precarious as earlier feared. *(The Hindu)*

### **CAG still unhappy with KIIFB but paints a rosy picture of Kerala's debt**

The Comptroller Auditor General - Kerala Government tit for tat on KIIFB loans seems never-ending. The CAG says it is intensifying fiscal stress and the government, in turn, keeps insisting that it will not. However, the latest CAG report on State Finances 2023-24, tabled in the Assembly on Thursday, even while warning about KIIFB's "off-budget liabilities", reveals that Kerala's debt, inclusive of KIIFB borrowings, is becoming sustainable with every passing fiscal. *(onmanorama)*

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