



## Public Finance

### **Bihar Government seeks ₹12,000 crore loan from RBI to cover delayed social security pensions**

To address the financial crisis, the Bihar Government has approached the Reserve Bank of India (RBI) seeking a loan of ₹12000 crore to pay its social security pensions, including pensions for the elderly and widows, which have been delayed for two months. Tejashwi Yadav claimed the State government is bankrupt, but Deputy Chief Minister Vijay Kumar Choudhary dismissed this, saying it's routine for the government to take loans for development. (*The Hindu*)

### **DA hike: Finance Ministry increases Dearness Allowance for central govt employees by 2% WEF 1 January 2026**

The Ministry of Finance on 22 April announced revision of rates of Dearness Allowance (DA) for central government employees, effective from 1 January 2026. In an office memorandum from the Department of Expenditure, the ministry noted that DA payable to central government employees shall be increased from 58% to 60% of Basic Pay, with effect from 1 January 2026. (*Mint*)

### **India fiscal deficit may breach target, rise to 4.5% in FY27: BMI**

India's fiscal deficit is likely to breach the government's target of 4.3 per cent and reach 4.5 per cent of GDP in 2026-27 (FY27), as higher subsidy spending and policy support measures strain public finances, according to a report by BMI, which is a unit of Fitch Solutions. The report noted that the government is expected to respond to the ongoing US-Iran conflict by stepping up interventions to stabilise the economy, particularly through measures aimed at ensuring the supply of critical inputs such as energy and fertilisers. (*Business Standard*)

### **Why welfare remains central in Kerala's politics despite rising public debt**

Kerala's political economy reflects a deep paradox: even as the state faces rising public debt and persistent fiscal stress, welfare spending remains central to governance and electoral politics. What appears as fiscal excess is rooted in structural factors such as ageing, migration, and a welfare-dependent social model. Audit findings from the Comptroller and Auditor General (CAG) and assessments by the Reserve Bank of India (RBI) have repeatedly flagged sustainability risks. The debate has shifted from whether welfare can continue to whether it can be sustained without further straining finances. (*Business Standard*)

## **SBI Research projects fiscal deficit at 4.6% of GDP amid subsidy hikes and excise losses**

State Bank of India's (SBI) Ecowrap report has highlighted mounting challenges to the Centre's fiscal math for the FY27, estimating the gross fiscal deficit at 4.6% of gross domestic product (GDP), higher than the budget estimate of 4.3%, due to additional spending on subsidies, excise duty cuts, and economic support measures. Rating agency ICRA projected fiscal deficit at 4.6% for FY27 assuming an average crude oil price of \$85/barrel in FY27. In case crude oil price rises to \$105/barrel, ICRA projects fiscal deficit at 4.8% of GDP. *(Financial Express)*

## **Multiple states to borrow Rs 16,900 crore through RBI SGS auction on April 21**

The Reserve Bank of India (RBI) has announced that multiple state governments will raise a total of Rs 16,900 crore through the revised auction of State Government Securities (SGS), scheduled to be conducted on April 21. According to the Central Bank release, the securities will be issued through an auction conducted on the RBI's Core Banking Solution platform, E-Kuber. The auction will include borrowings by several states, with varying tenors and structures, including both fresh issuances and re-issues of existing securities. *(The Economic Times)*

## **Finance Ministry plans to broaden Actuaries Act scope beyond insurance, pensions**

The finance ministry plans to amend the Actuaries Act, 2006 to broaden the definition of actuarial science beyond insurance and pensions to include data science, risk management, financial modelling and public policy. The proposed changes also include the introduction of a formal framework for registration, regulation and oversight of actuarial firms, including disciplinary provisions. *(The Economic Times)*

## **Govt may hike FDI limit in pension sector; Bill likely in Monsoon Session**

The government may hike the foreign direct investment (FDI) limit in the pension sector to up to 100%, and a Bill in this regard is expected in the next Parliament session, according to sources. This would align with the insurance sector where up to 100% FDI is permitted. Last year, Parliament approved a Bill to increase the FDI limit in the insurance sector from 74% to 100%. Prior amendments of the Insurance Act, 1938 was done in 2015 following which the FDI ceiling increased from 49% to 74%. *(The Economic Times)*



### **Taxation**

## **Industries urge GST Council to allow inverted duty refunds on input services**

Ahead of the next GST Council meeting, industry leaders are pushing for a significant policy shift — allowing input tax credit (ITC) refunds on input services under the inverted duty structure (IDS). Currently, manufacturers can often only claim refunds on raw materials (inputs), leaving tax paid on services (like legal, consulting, or logistics) trapped as a cost. *(BusinessLine)*

## **Airlines widen reform pitch beyond fuel pricing; flag tax distortions, competitive imbalance**

The airline industry has expanded its reform pitch beyond fuel pricing to include structural changes in taxation, after the Centre rolled out temporary measures to cushion airlines against rising fuel costs due to the West Asia crisis. In a representation to the Centre, airlines have cited current measures as only addressing immediate volatility but leaving deeper cost distortions unresolved. *(BusinessLine)*

## **Impact of GST rate cuts appears to be more nuanced than widespread**

The goods and services tax (GST) regime was introduced with a complicated structure comprising five rate slabs and a general commitment to rationalise rates whenever possible. There have been a number of episodes of such re-calibration of rates, with the latest being operationalised in September 2025. *(Business Standard)*

## **Retrospective jurisdiction fix triggers fresh tax disputes**

A retrospective amendment to the Income-Tax Act, 1961, clarifying the role of the Jurisdictional Assessing Officer (JAO) vis-à-vis the Faceless Assessment Officer (FAO), has triggered fresh litigation across the country, with multiple High Courts set to hear petitions challenging the validity of the move. Following directions from the Supreme Court, at least three such petitions have been filed this month in the Bombay, Karnataka and the Punjab & Haryana High Courts, challenging the retrospective changes made through the Finance Act. *(BusinessLine)*



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

### **Central Government's gross fiscal deficit stood at 4.4% of GDP in FY26**

Reserve Bank of India (RBI) has stated in a latest monthly update that the Central Government's gross fiscal deficit (GFD) stood at 4.4 per cent of GDP in 2025-26 (RE) adhering to its medium-term target of a GFD below 4.5 per cent by 2025-26 (as announced in the Union Budget 2021-22). This was achieved through rationalisation of expenditure, and higher than budgeted non-tax revenue receipts. For 2026-27, the Central Government budgeted a lower GFD at 4.3 per cent of GDP, thus adhering to the path of fiscal prudence. *(Business Standard)*

### **The cost of bringing down inflation in India, U.S. and U.K.**

Between 2022 and 2023, the U.S. Federal Reserve (Fed), the Bank of England (BoE), and India's Reserve Bank of India (RBI) all raised interest rates in response to inflation. By 2025, prices had broadly retreated toward targets. Economists use a concept called the sacrifice ratio which measures the loss in economic output for every percentage point of inflation tackled. In the U.S., inflation peaked at 9.1% in June 2022. In Britain, the BoE watched prices rise by 11.1% in October that same year, the country's highest reading since 1981. In India, retail inflation touched 7.8% in April 2022, breaching the 2% to 6% target band set by the RBI. *(The Hindu)*

### **Tube Investments of India Ltd soars 1.2%, rises for fifth straight session**

Tube Investments of India Ltd gained for a fifth straight session today. The stock is quoting at Rs 3060.6, up 1.2% on the day as at 12:44 IST on the NSE. The benchmark NIFTY is down around 0.72% on the day, quoting at 24201.65. The Sensex is at 77776.44, down 0.94%. Tube Investments of India Ltd has risen around 19.15% in the last one month. *(Business Standard)*

### **Government eyes E85 fuel rollout, but is India ready for the shift?**

India is preparing to take a sharper turn in its ethanol-blending roadmap, with reports indicating that the government is likely to soon notify draft rules for the rollout of E85 fuel—petrol blended with 85 percent ethanol. A report in The Hindu said the draft framework is under preparation and could be notified shortly. If confirmed, the move would signal a push towards higher ethanol blends beyond current targets. *(Business Standard)*

### **Delhi's pink smart card: How 5 lakh women are saving upto ₹2000 on travel**

Over 5.3 lakh women in Delhi are now using the 'Pink Saheli Smart Card' for free bus travel, marking a significant shift in how urban transport subsidies are delivered and tracked. The development, reported by PTI, highlights both rising adoption and the growing role of digital mobility systems in easing household expenses. Launched on March 2 by President Droupadi Murmu, the card, also referred to as the Pink National Common Mobility (PNCM) card, allows women and transgender persons to travel free of cost on Delhi Transport Corporation (DTC) and cluster buses. *(Business Standard)*



## **Banking and Monetary Policy**

### **RBI issues e-mandate framework for digital payments**

The Reserve Bank of India on Tuesday issued the 'Digital Payments — E-mandate Framework, 2026,' under which customers opting for e-mandates must complete a one-time registration process that requires additional factor authentication (AFA), and issuers will be required to send a pre-transaction notification at least 24 hours before a charge/debit and a post-transaction notification. *(BusinessLine)*

### **RBI draft for upper layer non-banks affects CICs disproportionately, raises compliances costs**

The Reserve Bank's recently-released draft on upper layer non-bank finance companies (NBFCs) impacts core investment companies "disproportionately" by upping compliance costs, said a report on Monday. India Ratings said mandatory listing requirements could prove onerous for several CICs, especially those structured primarily for promoter-level capital allocation, rather than public-market access. It can be noted that the RBI had come out with a draft on classifying NBFCs-ULs, amid intense speculation over the fate of the CIC Tata Sons on listing, and whether the revised directions continue to make a listing necessary for the salt to software conglomerate. *(The Economic Times)*

### **One small step in ratings, one giant leap for bank credit**

In late 2025, as part of a draft paper put out for public comments, the Reserve Bank of India (RBI) proposed certain modified norms for scheduled commercial banks, with regard to computation of capital charge for credit risk. If implemented as proposed, these guidelines can hugely impact the Indian banking sector as well as the loan-seeking corporate sector – in a manner that is unprecedented, mitigating a dispensation that has been in place for well over 15 years. *(BusinessLine)*

### **Bank credit recorded robust growth during H2FY26**

Reserve Bank of India (RBI) has stated in a latest monthly update that bank credit recorded a robust growth during H2; 2025-26, owing to monetary policy easing and strong economic activity. Growth in bank credit of scheduled commercial banks accelerated to 13.8% (y-o-y) as on March 15, 2026 from 11.0% a year ago. Across bank groups, credit growth of foreign banks remained the highest at 14.7% (y-o-y), followed by public sector banks and private banks. *(Business Standard)*

### **RBI tightens capital norms for non-bank PPI issuers; clamps down on small wallets**

The Reserve Bank of India (RBI) has proposed stricter capital requirements for non-bank prepaid payment instrument (PPI) issuers and tightened norms governing low-KYC “small” wallets, as part of a comprehensive overhaul of its wallet framework. In the new draft master direction on PPIs released on Wednesday, the central bank said that non-bank applicants must have a minimum net worth of Rs 5 crore at the time of seeking authorisation and scale it up to Rs 15cr by the end of the third financial year, after which the minimum net worth must be maintained on an ongoing basis. *(Financial Express)*



## **External Sector**

### **As cotton prices rise, textiles industry seeks removal of 11% duty on imports**

As domestic cotton prices continue to rise, tracking global clues, a worried textile industry has urged the government to allow duty-free imports of the fiber crop to safeguard export competitiveness and stabilize the value chain. Cotton prices have been climbing steadily in recent weeks, putting pressure across the textile ecosystem—from spinning mills to garment exporters. *(BusinessLine)*

### **India-Korea: A services-led trade reset**

The decision to resume negotiations on upgrading the India-South Korea Comprehensive Economic Partnership Agreement reflects a timely recognition: the existing trade model has reached its limits. Bilateral trade has grown to around \$27 billion, but the structure remains skewed. India continues to run a merchandise trade deficit of \$10-12 billion, driven by imports of high-value manufactured goods such as electronics and machinery, while exports remain concentrated in lower-value segments. *(BusinessLine)*

### **India's seafood exports cross ₹72,325.82 crore in FY26 on shrimp led growth, market diversification**

India's seafood exports increased by over 15 per cent in value to ₹72,325.82 crore (\$8.28 billion) and 13 per cent in volume to 19.32 lakh tonnes in FY26, despite facing problems with shipments to the US. In 2024-25, exports totalled ₹62,408.45 (\$7.435 billion) in value and 16.98 lakh tonnes in volume. Provisional data released by the Marine Products Export Development Authority (Mpeda) said frozen shrimp continued to be the primary growth driver, contributing ₹47,973.13 crore (\$5.51 billion) and accounting for over two-thirds of total export earnings. Shrimp shipments grew 4.6 per cent in volume and 6.35 per cent in value. *(BusinessLine)*

### **India's crude oil imports declined nearly 17% in March, says data**

In the first full month of the ongoing West Asia crisis, India's crude oil imports declined nearly 17% year-on-year in March, according to provisional data from the Petroleum Planning and Analysis Cell (PPAC). As a result of the decrease, New Delhi spent about 4.9% less on its crude imports during the mentioned period. As per the provisional data, India imported 18.9 million tonnes of crude oil in March. This was lower than the 22.8 million tonnes imported in the corresponding period last year. It spent \$11.7 billion compared with \$12.3 billion in the corresponding period a year ago. However, the net import bill for oil and gas combined remained nearly flat at \$11 billion, marginally down from \$11.3 billion in the comparable period last year. *(The Hindu)*

### **Pharma exports rose 2% to over \$31 billion in FY26 despite sharp decline in March**

India's pharmaceutical exports rose more than 2% year-on-year to \$31.11 billion in FY26 despite a 23% slide in March amid the fallout of the West Asia war. A new record, the exports bettered the \$30.47 billion registered in 2024-25. March incidentally had played a crucial role in shaping the overall FY25 performance as shipments to the all-important U.S. market surged in the face of an impending higher tariff regime. In March 2026, pharma exports declined as much as 23.17% to \$2,828.60 million (\$3,681.66 million), official numbers showed. *(The Hindu)*

### **W Asia crisis: Rice exports dip 7.5% to \$11.53 bn in 2025-26**

The country's rice exports dipped 7.5% to \$11.53 billion in 2025-26 due to a contraction in shipments to major destinations including West Asian countries, according to Commerce Ministry's data. The exports in March declined 15.36% to \$997.53 million. Shipments to West Asian nations, including Iran, UAE, Saudi Arabia and Oman have been impacted due to the war between US.-Israel and Iran. *(BusinessLine)*

### **India's textile exports grow 2.1% to ₹3.16 trn in FY26 despite US tariffs**

India's textile exports, including those of handicrafts, increased by 2.1 per cent to Rs 3.16 trillion in the financial year ended March 2026 from Rs 3.09 trillion a year ago. The growth comes despite the sector facing steep tariffs imposed by the US, its largest export destination, for most of the financial year. The reciprocal tariff regime began with 10 per cent on April 2, 2025 and was rapidly escalated. Rates for India rose to 25 per cent by August 7, 2025 and to 50 percent by August 28, remaining at that level until early February 2026. *(Business Standard)*

### **US sets preliminary antidumping duties on solar imports from India, others**

The US Commerce Department on Thursday announced preliminary antidumping duties on solar cells and panels imported from India, Indonesia and Laos, the latest in a string of tariffs imposed over a decade on solar imports from Asia. With the decision, federal trade officials sided with domestic solar factory owners in finding that companies operating in the three countries dumped cheap goods in the US market. According to a fact sheet posted on the Commerce Department's website, the agency calculated preliminary duty rates, known as dumping margins, of 123.04 per cent for imports from India, 35.17 per cent for imports from Indonesia, and 22.46 per cent for imports from Laos. *(Business Standard)*

### **Licence renewal inertia squeezes dore gold imports, tightens supply**

The domestic bullion industry fears the government may be considering curbs on gold imports. For the past few months, it has not renewed the licences of several refineries whose dore gold import quotas have been exhausted or whose licence tenures have expired. Earlier this month, the government brought gold jewellery imports under a licensing arrangement. Recently, after a one-month delay, it renewed gold import licences for 15 nominated agencies for three more years. *(Business Standard)*

### **India-New Zealand FTA to be signed on Monday, says PM Christopher Luxon**

India and New Zealand are set to sign the Free Trade Agreement (FTA) on Monday, April 27, the country's Prime Minister Christopher Luxon announced on Friday. The two countries concluded the negotiations for the pact on December 22 last year, with the goal of doubling bilateral trade to \$5 billion over the next five years. This marks one of the fastest trade deals sealed by New Delhi, which was initiated in March 2025, and concluded within nine months. Prime Minister Narendra Modi and Luxon jointly unveiled the agreement, describing it as comprehensive, balanced and future-oriented. *(The Economic Times)*

### **West Asia crisis: Engineering exports dip 66.8% to UAE; 45% to Saudi Arabia in March**

The country's engineering exports plunged 66.8% to the UAE and 45% to Saudi Arabia in March due to the West Asia crisis, which has impacted cargo ships movement in international waters, according to the EEPC data. The country's engineering exports plunged 66.8% to the UAE and 45% to Saudi Arabia in March due to the West Asia crisis, which has impacted cargo ships movement in international waters, according to the EEPC data. *(The Economic Times)*

### **Smartphones emerge as India's export champions in FY26**

Smartphones led a 24% surge in India's electronics exports in the last fiscal year as handset makers such as Apple and Samsung made the country a global manufacturing hub, reflecting the success of the government's production linked incentive (PLI) programme for the segment. Total exports of electronics goods reached \$47.96 billion in FY26, from \$38.56 billion in the previous fiscal, an official said. *(The Economic Times)*



### **Wheat purchase picks up after norms eased**

The procurement of wheat by government agencies has picked up pace after norms were relaxed last week — with the overall purchase till Wednesday down only 11% year-on-year compared with 70% a week ago. Agencies have so far procured 14.86 million tonnes (MT) of wheat from 1.23 million farmers at the minimum support price (MSP) in the 2026-27 marketing season (April-June). In the first fortnight of April, the procurement stood at only 1.53 MT only, a fall of 70% on-year. (*Financial Express*)

### **Amazon signs \$30 million deal to buy carbon credits from Indian rice farmers**

American ecommerce firm Amazon has signed a \$30 million (Rs280 crore) agreement with the Good Rice Alliance to buy carbon credits generated by Indian rice farmers, people aware of the matter said. The Good Rice Alliance is an entity held by German pharmaceutical and agrochemical maker Bayer with collaborations from GenZero of Singapore investment firm Temasek and Shell Nature-Based Solutions of energy major Shell. This is the first agricultural carbon credit deal of this size in India and one of the largest globally. Mostly such deals are done by companies operating in the renewable energy sector. (*The Economic Times*)

### **Extreme heat threatens global food systems, UN agencies warn**

Extreme heat is pushing global agrifood systems to the brink, threatening the livelihoods and health of more than a billion people, according to a new report by the U.N.'s food and weather agencies. The United Nations Food and Agriculture Organization (FAO) and the World Meteorological Organization (WMO) said heatwaves are becoming more frequent, intense and prolonged, damaging crops, livestock, fisheries and forests. (*The Hindu*)

### **India lifts total wheat export quota to 5 million tons**

India has approved an additional 2.5 million metric tons of wheat exports, taking the total export quota to 5 million tons, as the world's second-largest producer seeks to support local markets. The South Asian country in February approved exports of 2.5 million tons and raised the export allocation for wheat flour to 1 million tons. The latest decision "is expected to enhance market liquidity, facilitate efficient stock management, and prevent distress sales during the peak arrival season," the government said in a statement. (*The Economic Times*)

### **Inside Andhra's millet push that is turning women into entrepreneurs**

In a modest training hall at SVR Industries in Pendurthi in Visakhapatnam, a group of 30 women sits in a semi-circle, eyes fixed on a table where ingredients are being measured with precision. Jowar powder is folded into moong dal flour, water is added at careful intervals and the dough is kneaded until it turns supple. Soon, it is pressed into thin strands of noodles and later steamed and sprinkled with curry leaves and peanut powder. (*The Hindu*)



### **Industries urge GST Council to allow inverted duty refunds on input services**

Ahead of the next GST Council meeting, industry leaders are pushing for a significant policy shift — allowing ITC refunds on input services under the inverted duty structure (IDS). Currently, manufacturers can often only claim refunds on raw materials (inputs), leaving tax paid on services (like legal, consulting, or logistics) trapped as a cost. Experts feel that absence of such a mechanism creates structural disadvantage for manufacturers. *(BusinessLine)*

### **Medical device industry body calls for discussion on product mark-ups**

A forum that represents domestic medical device makers has called for a broad discussion across industry fora to define price mark-ups across the supply chain that impact the end price to the consumer. “We urge a multi-stakeholder dialogue with Association of Healthcare Providers, IMA, consumer and patient interest group(s), distributor, traders and importers association, and insurers to define rational, ethical markups across the supply chain — from import landed cost or ex-factory price to final consumer price post-GST,” said the Association of Indian Medical Device Industry (AiMed). *(BusinessLine)*

### **Weather delays summer sales, industry bets on late surge**

After unseasonal rain in late March and early April delayed the onset of peak summer demand in several regions, makers of summer-centric products say sales are now beginning to pick up, though price hikes, particularly in ACs, remain a key concern. Companies across categories such as ACs, ice-creams and beverages said intermittent rain and cooler temperatures in North, East and West India had slowed the seasonal demand cycle, even as the southern markets saw earlier traction. *(BusinessLine)*

### **SEA cautions on longer-term impact of geopolitical volatility in edible oil sector**

The Solvent Extractors’ Association of India (SEA) has said that continued geopolitical volatility may have longer-term implications for the edible oil sector in the country. Since the onset of the conflict, prices of crude-linked derivatives such as polyethylene and polypropylene, key inputs in plastic packaging, have risen by 50-60%, placing bottles and plastic wrappers among the weaker links in FMCG supply chains. *(BusinessLine)*

### **‘Worst in 60 years’: SRK Chairman & BJP MP Govind Dholakia on India’s diamond sector crisis, sees recovery ahead**

For India’s diamond industry that has weathered wars, recession and cyclical shocks, the current downturn stands apart. Calling it the most prolonged and severe crisis in six decades, Govind Dholakia, Rajya Sabha MP from Gujarat (BJP) and Founder-Chairman Emeritus of Surat-based Shree Ramkrishna Exports Pvt Ltd, said the global diamond trade is in the middle of an unprecedented reset, triggered in part by the disruptive entry of lab-grown diamonds. *(BusinessLine)*



### **Why welfare remains central in Kerala's politics despite rising public debt**

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### **Kerala traders body seek Special Industrial Zones to boost women entrepreneurship**

The Kerala Vyapari Vyavasayi Ekopana Samiti has called on the State Government to establish special industrial zones aimed at boosting women entrepreneurship across Kerala. According to state president Raju Apsara, implementing such a concept would significantly increase women-led enterprises, generate new employment opportunities, and contribute to the State's overall economic growth. (*BusinessLine*)

### **Kerala govt declares Thrissur fireworks blast state-specific disaster**

Kerala Revenue Minister K Rajan on Wednesday said that the blast at a fireworks manufacturing unit at Mundathicode in this district a day ago, which claimed at least 13 lives, has been declared as a state-specific disaster. Addressing a press conference here, he said the decision was taken in a special online cabinet meeting chaired by Chief Minister Pinarayi Vijayan in the morning in the wake of the blast. He said that it was also decided to provide a financial assistance of Rs 14 lakh to the dependents of those who died in the blast. (*BusinessLine*)