

Top Story 1

India to bear most costs to make Sri Lanka ferry service 'affordable and attractive'

The passenger ferry service between Nagapattinam in India and Kankesanthurai (KKS) near Jaffna in the Northern Province of Sri Lanka, which was launched in October 2023 by the Shipping Corporation of India (SCI), will resume on May 13, 2024 tentatively, the Indian High Commission in Colombo announced. Issuing a statement, the Indian High Commission in Sri Lanka said the ferry service will be operated by a private operator, IndSri Ferry Services, selected by SCI in consultation with the Government of Sri Lanka (GOSL). Meanwhile, in order to make the service affordable and attractive for passengers, the Government of India has decided to bear relevant charges and operating cost at Nagapattinam port to the tune of over LKR 25 million per month for a period of one year. Similarly, the Sri Lankan government has reduced the deviation tax currently charged to passengers leaving Sri Lanka by passenger vessels and ships, the statement added. "It would be recalled that the Government of India has also extended a grant assistance of USD 63.65 million to GOSL for rehabilitation of the KKS Harbour, which was earlier envisaged to be undertaken under a Line of Credit.

<https://www.adaderana.lk/news/99031/india-to-bear-most-costs-to-make-sri-lanka-ferry-service-affordable-and-attractive>

Top Story 2

India to be fastest-growing economy among G-20 nations in 2024

Three agencies, Goldman Sachs, S&P, Morgan Stanley and Moody's, have revised India's growth projections upwards. S&P revised India's growth projections from 6.4 per cent to 6.8 per cent, Morgan Stanley from 6.1 per cent to 6.8 per cent and Moody's from 6.6 per cent to 8 per cent for the current fiscal. Goldman Sachs raised India's 2024 growth projections to 6.6 per cent, a 10 basis point improvement from its previous forecast. The growth projections were revised upward by the rating agencies, reflecting both global and domestic optimism in the country's economy on the back of robust manufacturing activity and infrastructure spending. Finance Minister Nirmala Sitharaman recently said that India will grow over 8 per cent in the January-March quarter of 2024. The country has become the fifth-largest economy of the world and the Modi government has pledged to make it the third largest by 2027.

<https://www.constructionworld.in/policy-updates-and-economic-news/india-to-be-fastest-growing-economy-among-g-20-nations-in-2024-/54880>

Economy: -

India's services sector shows strongest growth rates in around 14 years

In April, India's services sector experienced a slight moderation but remained robust, driven by strong domestic and international demand, which bolstered business confidence to a three-month high. Despite a dip in the HSBC Services PMI to 60.8 from March's 61.2, it still represented one of the fastest growth rates in nearly 14 years. The sector's moderation in April on a monthly basis was offset by continued strength, as revealed by a survey released recently. India's bank Services Purchasing Managers' Index fell marginally to 60.8 in April from 61.2 in March, with a preliminary estimate placing it at 61.7. This resilience indicates a sustained positive trajectory for India's services sector, reflecting both strong domestic consumption and increasing international demand, contributing to heightened business optimism in the country.

Read more at:

https://economictimes.indiatimes.com/news/economy/indicators/indias-services-sector-shows-strongest-growth-rates-in-around-14-years-pmi-data-shows/articleshow/109873214.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Digitalization: -

India, Ghana agree for early operationalisation of UPI on Ghana interbank payment systems

India and Ghana aim to link UPI and GHIPSS for instant fund transfers. Discussions include MOU, local currency settlement, and AfCFTA benefits. NPCI's UPI may operate on GHIPSS in 6 months. Bilateral trade focuses on gold, cocoa, and cashew nuts. India and Ghana are working to link their payment systems - Unified Payments Interface (UPI) and Ghana Interbank Payment and Settlement Systems (GHIPSS) respectively to permit users to make instant, low-cost fund transfers on a reciprocal basis. The two countries have also delved into discussions regarding the possibilities of a Memorandum of Understanding on Digital transformation Solutions; Local Currency Settlement System and the opportunities offered by African Continental Free Trade Agreement. "They agreed to work expeditiously towards the operationalisation of NPCI's (National Payments Corporation of India) UPI on Ghana's GHIPSS within a period of 6 months," the Department of Commerce said on the social media platform .

https://economictimes.indiatimes.com/news/economy/foreign-trade/india-ghana-agree-for-early-operationalisation-of-upi-on-ghana-interbank-payment-systems/articleshow/109859902.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Market: -

Rupee appreciates 3 paise to 83.42 against US dollar in early trade

The rupee appreciated 3 paise to 83.42 against the US dollar in early trade on recently, supported by a firm trend in domestic equities. Forex traders said the strength of the American currency in the overseas market and foreign fund outflows weighed on the local unit and restricted the up move. At the interbank foreign exchange market, the local unit opened at 83.43 against the greenback. It later touched 83.42 in initial trade, registering a rise of 3 paise from its previous close. The rupee inched up 1 paisa to settle at 83.45 against the US dollar. Indian rupee has not been able to make a dent against the dollar as FPIs and oil companies continue to buy US dollars and ensure it remains range bound, as RBI protects it from depreciation beyond 83.50, said the Head of Treasury and Executive Director Finrex Treasury Advisors LLP.

https://www.business-standard.com/finance/news/rupee-appreciates-3-paise-to-83-42-against-us-dollar-in-early-trade-124050600140_1.html

Taxation: -

India -Australian Collaboration: Market Access & CECA Progress

Australia is an important trading partner of India in Oceania region with merchandise trade between India and Australia reaching around 24 billion USD in 2023-24, signaling significant potential for further growth. The Joint Committee Meeting serves as a vital platform for both nations to further strengthening trade ties and exploring new opportunities for bilateral economic cooperation in areas such as trade facilitation, investment promotion, as well as co-operation in other areas including support for technology. An Indian delegation led by Commerce Secretary Shri Sunil Barthwal had a very constructive and H productive discussions on various trade and prospective investment related issues with the Australian delegation led by Depute Secretary Shri George Mina from the Department of Foreign Affairs and Trade (DFAT) in Canberra as well as the businesses in Sydney and Melbourne for deepening the existing economic relations between the two democracies, taking advantage of the trade complementarities and expertise and unexplored potential both economies have.

https://www.taxmanagementindia.com/visitor/detail_rss_feed.asp?ID=27477

Currency	Rate (Rs)	Change	Index	Change	
USDINR	83.467	0.086	NIFTY 50	22,476.50	0.90
EURINR	89.835	-0.18	BSE Sensex	74,030.39	152.24
GBPINR	104.734	0.115			
JPYINR	54.24	-0.2456			