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IMPORTANT

EDITORIAL HIGHLIGHTS

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GS 3 : INDIAN ECONOMY

THE HINDU PAGE : 1

Govt. hikes price of commercial LPG, 5-kg cylinders, bulk diesel

Price of commercial LPG hiked by ₹993 a cylinder and that of 5-kg cylinder by ₹261; price of ATF for international carriers raised; govt. also reduces excise duty on export of diesel, aviation fuel; retail prices of petrol and diesel remain unchanged

Saptaparno Ghosh
NEW DELHI

Oil marketing companies (OMCs) on Friday sharply hiked the price of commercial LPG by ₹993 per cylinder and that of 5-kg free trade LPG by ₹261 per cylinder. Further, the price of bulk diesel was raised from ₹137 to ₹149 per litre.

Whilst the OMCs did not hike the price of LPG meant for domestic usage and that of aviation turbine fuel (ATF) for domestic scheduled carriers, the price of ATF for international airlines has been pushed up by $76.55 per kilolitre from $1,435 per kilolitre.

The prices of retail petrol and diesel are unchanged.

In a separate move, the Ministry of Finance reduced the excise duty on the export of diesel to ₹23 for every litre from ₹55.5 per litre and that of ATF to ₹33 per litre from ₹42 per litre, whilst the special additional excise duty (SAED) on the export of petrol continues to remain nil.

The previous revision to the excise duties on the export of diesel and ATF was done on April 11. The government said that the earlier upward revisions were to ensure the availability of these products in the domestic market and cushion against any impact on supplies. A reduction in the duty on exports is thus a change in that stance.

Whilst the prices of domestic LPG being unchanged offer respite, the steep hike in prices of commercial LPG and that of 5-kg free trade LPG raise concerns.

The latter primarily caters to the needs of migrant populations in urban and semi-urban areas who do not have a local address proof to avail a regular connection. Commercial LPG is used by businesses, both big and small, on a daily basis. Key among these are restaurants and hotels. Higher costs are expected to be passed on to their customers.

According to government estimates, 5-kg cylinders comprising more than 22.54 lakh kg of LPG were sold in April. The price of the smaller cylinder was last hiked by ₹51 per cylinder in April. It was on April 7 that the government had also doubled the allocation of the cylinders in all States.

The hike in commercial LPG prices follows a ₹195.5 per cylinder hike on April 1, when the crisis in West Asia had completed a full month.

Domestic ATF steady

The unchanged price of ATF for domestic scheduled carriers comes as a relief. *The Hindu* had earlier reported that Air India, IndiGo and SpiceJet had sought ATF price relief from the government.

On April 1, the price of ATF for scheduled domestic airlines was hiked by more than 9%. The Petroleum Ministry had argued that it was passing only a "partial and staggered increase of 25% (only ₹15/litre) to the airlines)".

Fuel crisis: Commercial LPG cylinder delivery workers unload cylinders from a truck at a distribution centre. J. ALLEN EGENUSE

Congress slams government on hike in LPG rates

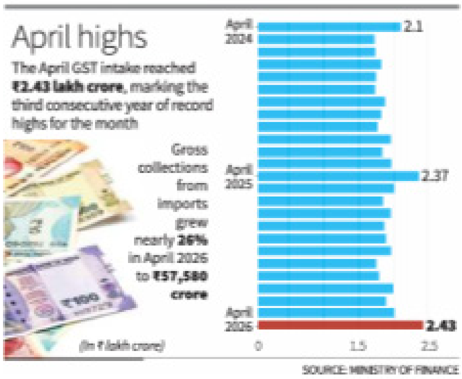
NEW DELHI

The Congress on Friday slammed the Narendra Modi government over the latest price hike for commercial LPG cylinders, with Leader of the Opposition in the Lok Sabha Rahul Gandhi calling it the "bill for elections". » PAGE 4

GS 3 : INDIAN ECONOMY

THE HINDU PAGE : 1

GST collections rise to a record of ₹2.43 lakh crore in April



T.C.A. Sharad Raghavan
NEW DELHI

The government's Goods and Services Tax (GST) revenue in April 2026 surged to an all-time high of ₹2.43 lakh crore, up 8.7% over April last year. Growth was once again driven by collections on imports, with revenue from domestic sales growing slower.

Tax experts, however, note that collections in April, which represent activity in March, typically come in higher as both industry and the tax administration make a final push to achieve the financial year-end targets.

Data show that there has been a record collection every April ever since the GST was rolled out in 2017, except for April 2020, which was impacted by the COVID-19 pandemic.

"April 2026 GST collections cap off a resilient FY26 for the GST regime, with gross revenues rising 8.7% year-on-year to about ₹2.43 lakh crore compared to April 2025, despite continued global uncertainty and West Asia-related geopolitical headwinds," Mahesh Jaising, partner & indirect tax leader at Deloitte India, said.

The data show that net collections, once refunds are accounted for, stood at ₹2.11 lakh crore in April 2026, up 7.3% over April last year.

Notably, the data also show that the growth in collections was once again driven by imports. Gross collections from imports grew nearly 26% in April 2026 to ₹57,580 crore. Collections from domestic sales grew at 4.3% to ₹1.85 lakh crore in the period.

Import-led revenues

"Post GST 2.0, a steady 7-8% monthly growth seems to be emerging as the norm which is broadly in line with budget estimates," Pratik Jain, partner, Price Waterhouse & Co., said. "Notably, growth in import-led revenues continues to outpace domestic transactions, which could indicate some softness in consumption – possibly reflecting a moderation in discretionary spending amid geopolitical uncertainties."

Manoj Mishra, partner and tax controversy management leader at Grant Thornton Bharat, said that the growth in tax revenue from imports also "points to resilient external demand linkages and supply chain normalisation".

Mr. Jaising, on the other hand, pointed out that the growth in revenues from domestic sales has remained steady, which reflects the nature of consumption activity in the economy.

"Equally important is the steady performance of domestic GST revenues, which suggests that GST 2.0-led rate rationalisation and simplification measures are starting to support consumption and demand without eroding the tax base," he said.

GS 2: INDIAN GOVERNANCE

THE HINDU PAGE : 2

In a first, Karnataka govt. unveils digital grievance portal for gig workers

They can lodge complaints on pay, working conditions and other disputes on the portal; these grievances will be automatically routed to aggregators for settlement; govt. to monitor the process

Shilpa Elizabeth
BENGALURU

In a move to secure the rights of the growing platform-based labour force, the Government of Karnataka has officially operationalised a specialised grievance redressal mechanism for platform-based gig workers. The mechanism, a first of its kind in India, has been developed by the Karnataka Platform-based Gig Workers' Board in collaboration with the Department of e-Governance.

The gig workforce has so far operated without a formal or legal dispute resolution framework. FILE PHOTO

Transparency

With the new initiative coming into force, gig workers can now officially lodge grievances, including regarding pay, working conditions, and platform-specific disputes, through the Integrated Public Grievance Redressal System (IPGRS) portal.

This creates a formal bridge between the lakhs of gig workers in Karnataka and the technology aggregators they serve. This is expected to bring transparency and legal recourse for a workforce that has so far operated without a formal dispute resolution framework.

Under The Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act and Rules, every aggregator platform must constitute an Internal Dispute Resolution Committee (IDRC). Grievances filed on the IPGRS will be automatically routed to the respective platform's IDRC to be addressed and settled within a strictly defined timeframe. The government will act as a central facilitator, monitoring the process to ensure a smooth and transparent flow of communication between workers and platforms.

'Every voice is heard'

Labour Minister Santosh Lad said that Karnataka, technology capital of the country, is leveraging this potential for worker welfare as well. "By launching this system, we are ensuring that the gig economy is no longer an informal space, but a structured one where every worker's voice is heard," he said.

So far, details of 12 lakh active gig workers have been shared by platforms, according to G. Manjunath, Additional Labour Commissioner and CEO of the Board.

Schemes for gig workers, depending on the platform they are working for, are also being worked out and will be placed for deliberation in the next board meeting.

"The schemes will vary based on the type of platforms. For example, cab rides are mostly undertaken by men whereas urban domestic activity is undertaken mostly by women. It may also be based on the contribution made, and the quantum of gig work done by a gig worker. Some gig workers work for more than eight hours, while some may work on a few gigs. So, workload, nature of work, and time period of work could vary," Mr. Manjunath explained.

"It has to be scientifically structured based on their effort and labour. We are working with experts, including academicians from Briston University, King's College, and IISc, and other stakeholders, including board members," he said.

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GS 3 : INDIAN ECONOMY (ENERGY)

THE HINDU PAGE : 5

India to tap augmented solar capacity, coal to weather El Nino, summer power demand

Saptaparno Ghosh
Jacob Koshy
NEW DELHI

Amidst expectations of further increase in energy demand with peak summers approaching and an El Nino in sight, India could be looking at meeting its increased power requirements from the traditional coal-powered thermal plants and augmented solar plants.

In fact, when the country scaled its peak demand of 256.1 gigawatts on April 25, thermal plants nearly retained its dominant position accounting for 66.9% of the generation, while solar augmented its position to account for 21.5% of the power generated.

The augmented solar capacity and traditional thermal plants are of pivotal importance in the dual paradigm of peak summers and El Nino effects.

Renewable growth

Solar contribution reaches new highs amid rising peak demand

* in million units

Date	Peak demand during the day (GW)	Solar generation* (contribution to total daily generation in %)	Wind generation* (contribution to total daily generation in %)	Total generation*
30-05-2024	250	421 (7%)	437 (7.4%)	5,887
09-01-2026	245	488 (9.4%)	274 (5%)	5,168
24-04-2026	252	665 (11%)	199 (3%)	6,014
25-04-2026	256	657 (10.8%)	156 (2.5%)	6,102

Although, speaking to *The Hindu*, highly placed government officials said the country was in a stable position with adequate supplies of coal to meet a potential increase in power demand.

While the historical data assessing contribution of each of the power sources could not be traced, for context, an average contribution of each of the sources through the day indicates solar energy accounted for about 8.9% of power generated on the day of peak power demand in 2025, 7.3% in 2024, about 6% in 2023 and 5.63% in 2022. Though solar power makes up about 30% of India's installed power capacity at present, it cannot be fully utilised due to limited battery storage. In fact, solar power is frequently curtailed to keep the grid stable.

Manoj Kumar, India Analyst at the Centre for Research on Energy and Clean Air (CREA) says: "With stronger transmission networks, more flexible grid operations, and faster battery deployment, a larger share of evening and night-time demand can also be met through non-fossil sources."

Essential to note here that India added a record 44.61 gigawatts of solar capacity in the fiscal year 2025-26, which was more than the double it had added in the preceding fiscal.

Hotter months ahead

On Friday, the India Meteorological Department said El Nino conditions – which usually translate to weak monsoon rains and therefore longer dry spells – are likely to prevail during most of the monsoon months from June to September. Temperatures in May, broadly, would be less searing with more rain than what is usual for May expected over most parts except eastern India. Gujarat, Maharashtra, coastal Odisha, West Bengal and Andhra Pradesh and Himalayan foothills are likely to see more than its usual share of 'heatwave' days.

Ample coal stocks

India has approximately 200 million tonnes of coal stocks as on date, thus, with approximately 2.3-2.4 million tonnes being utilised daily by thermal plants, the stocks would suffice for more than 83 days, a highly placed government official told *The Hindu*.

GS 3 : INDIAN ECONOMY

THE INDIAN EXPRESS PAGE : 14

Is the rupee back to the 'fragile five' days of 2013?

Rupee's recent slide is reminiscent of 2013, when it fell 12% against the dollar in a few months. Here's how the two situations compare

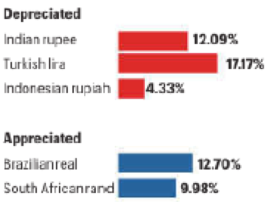
GRAPHS, DATA, PERSPECTIVES

BY UDIT MISRA

WEEKLY ECONOMIC AND POLICY INSIGHTS USING DATA

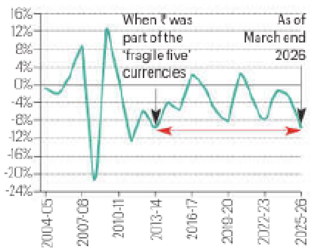
THE WEAKNESS IN THE RUPEE

Chart 1: How 'fragile 5' from 2013 have performed against US dollar (over the last 12 months)



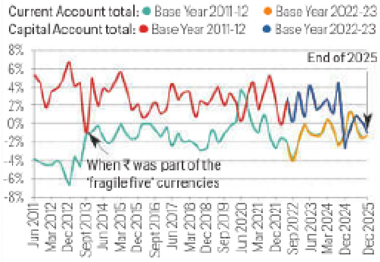
GOOGLE FINANCE

Chart 2: % change in ₹ exchange rate vs $



SOURCE: CENTRE FOR MONITORING INDIAN ECONOMY

CHART 3: India's Balance of Payments situation



SOURCE: CMIE; NOTE: FIGURES ARE NET INFLOWS AS A % OF GDP

THE INDIAN rupee hit an all-time low of 95.33 to a dollar on Thursday. This means that when trading international currencies, buying a single US dollar requires Rs 95.33.

At the start of 2026, a dollar could be exchanged for Rs 90, and a year ago for less than Rs 85. In other words, the rupee's value has fallen 12% against the dollar in the last 12 months. For perspective, the rupee usually only declines by about 3-4% against the dollar over a 12-month period.

Such a sharp decline is reminiscent of September 2013, when the rupee lost 12% of its value against the dollar between just January and September.

The exchange rate between any two currencies is determined by the relative demand of the currencies in question.

What were the 'fragile five'?

In 2013, Morgan Stanley, a leading global investment firm, had dubbed the Indian rupee (or INR) one of the fragile five currencies in emerging markets. The other four were:

- The Indonesian rupiah or IDR (which had fallen 15.4% against the dollar)
- The Brazilian real or BRL (fell 7.6%),
- The South African rand or ZAR (which fell 14.4%), and
- The Turkish lira or TRY (slid 9.9%).

These currencies were losing value because the US central bank had signalled a rollback of its quantitative easing (QE) policy.

QE essentially means money can be borrowed cheaply because a central bank prints lots of it. When investors can borrow in US dollars at almost zero interest rates, it makes sense for them to borrow in dollars and invest in economies across the world that promise high growth and returns. When the policy stopped, it signalled that interest rates in the US were set to rise because the money printing tap had been turned off.

Most investors pulled back money from emerging markets to invest in US bonds. Investing in a US bond is essentially loaning money to the US government, and thus works as the most risk-free investment.

But India, Indonesia, Brazil, South Africa and Turkey were the worst affected for another key reason: these economies already ran a current account deficit. This means that more money went out than came in, because they imported more than they exported while trading goods and services with the rest of the world.

They could run such a current account deficit only because they had a capital account surplus (meaning in terms of investments — foreign direct investment and investments in their stock markets — more money came in than what went out).

But with the QE rollback, the investment flows reversed, and that created a situation where the relative demand of these currencies against the US dollar crashed. Since exchange rates are essentially driven by the relative demand of any two currencies, these five currencies lost value against the dollar.

How similar is 2026 to the fragile five situation of 2013?

One of the biggest assertions from the incumbent government has been turning the economy around from one of the fragile five to one of the top five economies in the world (in terms of gross domestic product size). A couple of weeks ago, however, India slid to the sixth rank in GDP size. On the fragility of the currencies, *chart 1* shows how each of the fragile five has fared against the US dollar over the past 12 months.

India is the second-worst (a fall of 12.1%) this time around. In fact, two economies — Brazil and South Africa — have seen their currencies appreciate against the dollar (by 12% and 10% respectively), or roughly the same degree by which the Indian rupee has depreciated. The Indonesian rupiah has lost just 4% of its value against the dollar.

The worst is the Turkish lira, which has lost 17% of its value against the dollar. The lira's slide, in fact, has been dramatic for much longer; it lost over 1000% in value since May 2018.

Sharp fall

While the rupee loses value to the dollar every year, the slide is usually only about 3% to 4% over 12 months.

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But over the last 12 months, the rupee has fallen 12% against the US dollar.

How does the rupee slide in 2026 compare with the slide in 2013?

Chart 2 shows the percentage change in the rupee's exchange rate against the dollar at the end of each financial year. As can be seen, the rupee ended financial year 2013-14 down 9.5% against the dollar and ended FY 2025-26 (which ended in March) down 9.6%.

But while FY26 may have been as bad as FY14, the big difference was that the fall in the rupee's exchange rate in FY14 came on the back of sharp falls in the two preceding years. It was on top of a 6% slide in FY13 and an almost 13% slide in FY12. The fall in the last financial year was preceded by fairly modest levels of weakness.

In terms of the factors that led to the recent slide, the story is again similar to what happened to the economy's Balance of Payment (the net effect of current and capital accounts) in 2013-14.

The rupee can lose value against the dollar only through two routes:

- Either India's import bill of goods and services is bigger than its export earnings (this is called a Current Account Deficit)
- Or financial investments by foreigners into India fall drastically or even turn negative, suggesting Indians invest outside more than foreigners invest in India (this is called a Capital Account Deficit)

For most of India's recent past, it has had a current account deficit but a capital account surplus. But in 2013, it suffered a deficit on both the accounts.

As *chart 3* shows, for the better part of the past two years, India is yet again facing deficits on both these accounts.

In *chart 3*, the green and yellow lines show the change in current account "deficit" (implying money going out on a net basis) every quarter. The red and brown lines show the quarterly change in the capital account, which was mostly in surplus and sometimes in deficit.

If one compares the September 2013 quarter with the December 2025 quarter (the last quarter for which data is available), it is clear how similar the situation was both on the current and capital accounts.

To be sure, both were in deficit, implying that not only was India spending more dollars on imports of goods and services, but also experiencing a flight of dollars out of the country on a net basis. The only way to pay for both deficits is to draw down the foreign exchange reserves.

Why is India facing deficits on both current and capital accounts?

India's exports have not grown as fast as desired. Part of this has to do with anaemic demand in the rest of the world for India's exports. The bigger problem is an inability to become more efficient in production (especially manufacturing) and displace competitors such as China, Vietnam and Bangladesh. On the capital account side, the deficit has happened because not only have foreign investors avoided investing in Indian companies via the stock market but even net FDI has turned negative. That means, far from foreigners investing building factories in India, Indians are taking their money out and investing in factories in other countries.

GS 1 : HISTORY’

INDIAN EXPRESS PAGE : 14

HISTORY

How the Komagata Maru incident of 1914 threw light on racism

Suanshu Khurana
New Delhi, May 1

IN A recent appearance on *The Tonight Show Starring Jimmy Fallon*, popstar Diljit Dosanjh spoke about the 1914 Komagata Maru incident, where 376 Indian passengers were denied entry into Canada owing to racist immigration rules. The passengers had to stay on the ship for nearly two months, even though they were desperate for food, water and medical attention, before being sent back to India.

Dosanjh, who recently had a sold-out show in Vancouver’s BC Place stadium, said: “When our people came for the first time to Canada, they didn’t allow us… and that stadium is just 2 km from that part… You didn’t allow us to come, now we are here.”

What brought the Komagata Maru to Vancouver?

The Komagata Maru, also called the Guru Nanaka Jahaz, was a Japanese steamship chartered in Hong Kong by Gurdit Singh. It sailed to Vancouver in 1914 with 376 Indians (340 Sikhs, 24 Muslims and 12 Hindus). These men — mostly farmers, former soldiers and labourers, all dressed in western suits to fit in in Canada — were driven by hopes of better wages to support their families in the dire conditions back home. The vessel left Hong Kong on April 4 and reached Vancouver on May 23.

What happened in Vancouver?

After the vessel reached the Burrard Inlet, only 24 passengers were allowed to disembark. Canadian authorities created a blockade for those aboard and denied food, water and medical help. By mid-July, the standoff became increasingly tense. On July 19, more than hundred policemen and officials tried to force entry into the ship, but the passengers fought back with iron pipes and by hurling coal. The local South Asian community created a ‘Shore Committee’, led by Husain Rahim. They managed to raise $20,000, enough to retain control of the ship’s charter and continue fighting the authorities legally. However, the ship was eventually sent to India.

Ill-fated voyage

- Komagata Maru was a Japanese steamship chartered in Hong Kong by Gurdit Singh.
- It sailed to Vancouver in April 1914 with 376 Indians. But they were denied entry under Canada’s exclusionary immigration rules.
- Ultimately forced to return to India, the ship reached Bengal in September 1914. There, police fired upon its passengers, killing 20.

Why were passengers denied entry?

Since both India and Canada were under British rule, the passengers considered themselves British subjects and held that they had the right to settle within British territories. However, a few years before this, in 1908, Canada had introduced the “continuous journey regulation”.

This regulation prevented entry to those who did not “come from the country of their birth or citizenship by a continuous journey and or through tickets purchased before leaving the country of their birth or nationality”. The regulation was thus for ships that began their journey from countries so far from Canada that a stopover would be necessary.

This regulation came after the Vancouver anti-Asian riots of 1907, fueled by the Asiatic Exclusion League to ‘keep Canada white’. This mainly targeted Chinese and Japanese immigrants but Indians were also affected.

What happened on the ship’s return?

After being forced out of Vancouver, the ship was denied entry at other ports, including Hong Kong and Singapore, as World War I had begun and British authorities were wary of the anti-colonial sentiment.

When the vessel reached Budge Budge, on the eastern bank of the Hooghly, the authorities tried to put the passengers on a special train to Punjab. They refused and began to march into Kolkata. The troops opened fire, killing 20 and injuring many. Gurdit Singh escaped but surrendered after Mahatma Gandhi asked him to do so as a patriot. He was imprisoned for five years.

How did the incident affect the freedom movement?

The plight of the passengers, first humiliated in Canada and then fired upon after returning to their homeland, highlighted Indians’ conditional rights and racist treatment under the British empire.

It intensified calls for complete independence rather than asking for rights under the colonial rule. The incident also became a mobilising force for the Ghadar Party, which had already begun to call for armed struggle against the British rule.