Weekly Economic Roundup

Giant leap
India is home to more than 60 unicorns and is expected to host as many as 62,000 startups, including 100 unicorns, by 2025.

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ABOUT US

Founded in 1994, the Delhi Policy Group (DPG) is among India's oldest think tanks with its primary focus on strategic and international issues of critical national interest. DPG is a non-partisan institution and is independently funded by a non-profit Trust. Over past decades, DPG has established itself in both domestic and international circles and is widely recognised today among the top security think tanks of India and of Asia’s major powers.

Since 2016, in keeping with India’s increasing global profile, DPG has expanded its focus areas to include India’s regional and global role and its policies in the Indo-Pacific. In a realist environment, DPG remains mindful of the need to align India’s ambitions with matching strategies and capabilities, from diplomatic initiatives to security policy and military modernisation.

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DPG Weekly Economic Roundup

DPG Weekly Economic Roundup covers developments related to India’s economy, compiled from open source media.

Your comments and feedback can be addressed to Shruthi Mohan Menon at shruthi@dpg.org.in.

Delhi Policy Group is an independent and autonomous, not for profit think tank which focuses on strategic issues of critical national interest.

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Courtesy: No more a myth: 30 startups join the unicorn club in 2021 - Source: @HindustanTimes | Twitter
UPI records 3.65 billion transactions worth Rs 6.54 trillion in September - Source: @bsindia | Twitter

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POLICY AND REGULATORY FRAMEWORK

RBI IBC has been instrumental in changing the mind-set of promoters of businesses by making them more accountable
IBC is a seminal reform; instrumental in changing feudal mindset: CEA
Business Standard, October 2, 2021

Unique Identification Authority of India to open additional standalone Aadhaar enrolment and update centres
UIDAI plans to open 166 standalone Aadhaar enrolment and update centres
The Economic Times, October 2, 2021

Government of India notifies ground rules for settling 17 tax disputes with multinational companies
India notifies final rules for settling Cairn Energy, Vodafone tax cases
The Hindustan Times, October 3, 2021

Union Minister Piyush Goyal assures stakeholder interest will be considered while framing the e-commerce policy
Proposed e-commerce policy to be balanced, with robust framework: Goyal
Business Standard, October 3, 2021

Fundamentals of the Indian economy are sound as real GDP in Q3 and Q4 of FY’21 cross the pre-pandemic level
Indian economy's fundamentals strong; private investment picking up: Arvind Panagariya
The Financial Express, October 4, 2021

E-way bill generation for goods transportation under the GST system is at 6.79 crore in September, highest since the start of the current financial year
GST: E-way bill generation at a six-month high in September
The Indian Express, October 4, 2021

DGFT moves syringe export in restricted category
Government imposes export curbs on syringes to discourage outbound shipments
Business Standard, October 4, 2021
Covid-19 impact: Total infrastructure credit by banks, NBFC-IFC register a sluggish growth of 10 per cent

_Infrastructure finance by banks, NBFC-IFC remains sluggish in Q1 FY2022: Study_

The Economic Times, October 4, 2021

India is on path to recovery aided by various government reforms

_India on path of economic recovery, says DEA Secretary Ajay Seth_

The Economic Times, October 4, 2021

Well-managed companies following good governance practices attract investors

_Well-managed companies attract equity investors: FM_

The Economic Times, October 4, 2021

Government extends the Credit Guarantee Scheme for Subordinate Debt (CGSSD) for stressed MSMEs till March 31, 2022

_Credit guarantee scheme for MSMEs extended till March 31_

The Economic Times, October 4, 2021

Prime Minister Narendra Modi inaugurated ‘Azadi@75 - New Urban India: Transforming Urban Landscape’ conference-cum-expo

_PM Modi hands over keys to 75,000 beneficiaries of central housing scheme in UP_

The Indian Express, October 5, 2021

Industrial Park Rating System Report 2.0 launched by MoS (Commerce and Industry), Shri Som Parkash

_41 Industrial Parks identified as “Leaders” in the Industrial Park Ratings System Report_

PIB, October 5, 2021

Government of India to widen PLI scheme to promote gaming ecosystem

_Government mulling to broaden PLI scheme to attract gaming device makers: Meity official_

The Economic Times, October 5, 2021

Government amends rules to benefit 100 captive coal and lignite blocks

_Government amends rules to allow 50% sale of coal from captive mines_

The Financial Express, October 5, 2021
64 non-pithead thermal power plants are left with less than four days of dry fuel stocks
64 non-pithead power plants face severe coal shortage; Power minister refutes reports of severe power shortage
The Hindustan Times, October 5, 2021

Cost of borrowing for the states jumped by 6 basis points
Cost of state debt jumps to 2-month high of 6.91 per cent
The Economic Times, October 4, 2021

Ministry of Road Transport and Highways issues a list of incentives and disincentives pertaining to the Vehicle Scrapping Policy
Vehicle Scrapping Policy: Government releases list of incentives, disincentives
Live mint, October 6, 2021

Finance ministry to commence pre-budget meetings with various departments for FY23
Pre-Budget meeting with departments starts from Oct 12
The Financial Express, October 6, 2021

Prices of petroleum products depend on international oil rates, Centre and states have to work together to handle the issue of rising cost
Fuel prices linked to global rates; Centre, states have to handle: FM
Business Standard, October 6, 2021

Centre permits 100% FDI under automatic route in the telecom services sector
Centre permits 100% FDI in telecom sector
The Hindustan Times, October 6, 2021

SVAMITVA Yojna to write a new chapter of development of villages in the country
SVAMITVA Yojna enhanced rural economy’s strength, to be implemented at national level: PM Modi
The Financial Express, October 6, 2021

Government of India gives nod to setting of PM MITRA parks
Government okays setting up seven textile parks with ₹4,445 crore outlay
The Hindustan Times, October 7, 2021
Supply of ice cream by parlours to attract 18% goods and services tax GST with an input tax credit

*Ice cream supplied by parlours to attract 18% GST*

The Financial Express, October 7, 2021

Aluminium makers to face production cuts amid acute crunch in coal supplies

*India’s aluminium makers face ‘precarious situation’ on coal crunch*

Business Standard, October 7, 2021

Centre releases funds to compensate states to meet shortfall in goods and services tax

*Centre releases ₹40,000 crore to States/UTs to meet GST compensation shortfall*

The Economic Times, October 7, 2021

For consumers, “buy now, pay later” is the gateway to purchases they can’t afford

*’Buy now, pay later’ can pay for more than a rich lifestyle*

Bloomberg, October 7, 2021

Five million Micro, Small and Medium Enterprises (MSMEs) register on the Udyam portal

*Udyam portal completes 5 million registrations: MSME Secretary*

The Economic Times, October 7, 2021

Chief Economic Advisor expresses hope that the country will witness double-digit growth in the current fiscal year aided by a prudent mix of supply and demand side measures

*Government policies directed at fostering competition: CEA*

The Financial Express, October 7, 2021

Reserve Bank of India’s October bi-monthly Monetary Policy Statement

*Monetary Policy Statement, 2021-22 Resolution of the Monetary Policy Committee (MPC) October 6-8, 2021*

RBI website, October 8, 2021

RBI keeps rates on hold to support recovery

*RBI keeps repo rate unchanged at record low of 4% for 8th time in a row*

Inshorts, October 8, 2021
 Reserve Bank of India retains projection for real GDP growth at 9.5% for FY 2021-22
 [RBI retains GDP growth target at 9.5% for FY22]
 Live mint, October 8, 2021

 RBI extends three-year SLTRO facility to SFBs
 [RBI extends SLTRO facility for SFBs till December 31]
 The Financial Express, October 8, 2021

 RBI Governor maintains that exceptional measures undertaken during pandemic will be dealt in sync with macroeconomic developments to preserve financial stability
 [RBI to manage liquidity in non-disruptive manner: RBI Governor]
 Business Standard, October 8, 2021

 Select NBFCs having higher customer interface to have internal ombudsman
 [RBI to introduce ombudsman scheme for NBFCs to bolster complaint redressal]
 Business Standard, October 8, 2021

 RBI announces initiative to further the reach and adoption of digital payments in areas with low internet connectivity
 [RBI to bring in framework for retail digital payments in offline mode]
 Business Standard, October 8, 2021

 Resumption of liquidity normalisation indicates no need for GSAP auctions
 [RBI scraps GSAP signalling resumption of liquidity normalisation]
 The Economic Times, October 8, 2021

 Limit to transfer money under Immediate Payment Service (IMPS) is increased
 [IMPS daily transaction limit increased to ₹5 lakhs from ₹2 lakhs, says RBI]
 The Hindustan Times, October 7, 2021

 Labour ministry to release official quarterly estimates of the number of jobs created in the country starting from the April–June quarter of 2022
 [Government plans quarterly data on jobs from next financial year]
 The Hindustan Times, October 8, 2021

 Air India is privatised, 68 years after it was nationalised
 [And sold! The Maharaja goes to the Tatas]
 Times top100, October 9, 2021
Prime Minister Shri Narendra Modi will launch Indian Space Association (ISpA) on 11th October, 2021 via video conferencing 
**PM to launch Indian Space Association on 11th October**
PIB, October 9, 2021

Centre is taking steps being to ensure gradual build-up of coal stocks
**Centre takes steps to build up coal stocks**
The Hindustan Times, October 10, 2021
ECONOMIC TRENDS

Fuel and electricity consumption grow at a slow pace in September
Demand for fuel and power grows but at a slower pace in September
Business Standard, October 2, 2021

Unified Payments Interface (UPI) registers increase in transactions in September, an all-time high
UPI records 3.65 billion transactions worth ₹6.54 trillion in September
Business Standard, October 2, 2021

Unified Payments Interface (UPI) registers increase in transactions in September, an all-time high
UPI records 365 crore transactions worth ₹6.54-lakh crore in September
The Hindu BusinessLine, October 2, 2021

Led by salaried jobs, employment levels increase in September
Sharpest rise in salaried jobs: Employment rises by 8.5 million in September; at highest level in 20 months
The Financial Express, October 3, 2021

Leasing activity registers increase in eight major cities on better demand
Industrial, logistics space leasing clocks 13% rise in Jan-Jun: CBRE report
Business Standard, October 3, 2021

Centre notifies ground rules to settle 17 tax disputes with MNCs
India notifies final rules for settling Cairn Energy, Vodafone tax issues
Live mint, October 3, 2021

Housing sales improve led by unlocking of economic activities and lower COVID infections
Housing sales in Q3 jump over two fold to 32,358 units in 7 cities: JLL
Business Standard, October 4, 2021

ICRA revises energy growth outlook upwards
ICRA revises energy demand growth outlook for FY22 upwards to 8.5%
The Economic Times, October 4, 2021

E-commerce companies report increased demand from tier 2 and 3 cities
E-commerce companies see higher demand from smaller towns in early access sales
The Hindustan Times, October 4, 2021
Office markets register incremental activity of 13% by volume and 6% growth in new office completion, Y-o-Y
Office absorption rose by 168% in Q3CY21, says Knight Frank report
Business Standard, October 4, 2021

Services PMI eased to 55.2 in September 2021
India’s services activity remains strong in September, firms hire more employees
Business Standard, October 5, 2021

Demand for work under the MG-NREGS and person days of work generated decline in September 2021
MG-NREGS data: Demand for work at 17-month low
The Financial Express, October 5, 2021

Solar energy output slows in September as productions grow at the slowest rate
India’s solar energy output growth slows in September to 24.7%
Live mint, October 6, 2021

Domestic air passenger traffic increases to 69 lakhs in September
As festivities begin, domestic air passenger traffic surges in September
The Hindustan Times, October 6, 2021

Vegetable prices rise due to increasing transport cost backed by surge in fuel prices
Vegetable prices rise, barring potato and onion, shows data
Business Standard, October 6, 2021

India home to 60 unicorns, including 100 unicorns by 2021
No more a myth: 30 startups join the unicorn club in 2021
The Hindustan Times, October 7, 2021

Jewellers eye a recovery in their most lucrative sales period as a reprieve in the pandemic
Business glitters for jewellers as gold prices fall 17%, economy recovers
Business Standard, October 7, 2021

Reasonably priced housing mortgage defaults surge
Affordable housing loan defaults surge to 7.2%, says rating agency Icra
Business Standard, October 7, 2021
FICCI’s Economic Outlook Survey projects 9.1 per cent GDP growth in 2021-22 as economic recovery, post the second wave of the pandemic, seems to be holding ground
**FICCI projects 9.1 per cent GDP growth for FY22**
The New Indian Express, October 7, 2021

Companies’ intent to hire in October-December reaches the highest in the past one-and-a-half years, as pandemic jitters give way to adaptability and new ways of navigating disruption
**October-December hiring intent touches 18-month peak**
The Economic Times, October 8, 2021

India’s unemployment rate declines as 8.5 million additional jobs were created last month
**India’s unemployment rate falls sharply in September to 6.86%: CMIE**
The Economic Times, October 8, 2021

RBI revises down inflation forecast for FY22
**Retail inflation projection cut to 5.3% from 5.7% in 2021-22: RBI**
Inshorts, October 8, 2021

India’s unemployment rate in September declines to 6.86%
**Unemployment is down but...**
Times top100, October 8, 2021

Automobile retail sales in the country witness a 5% year-on-year drop
**Retail sales of automobiles decline in September**
The Hindustan Times, October 8, 2021

Reliance Inc. enters into master franchise agreement with 7-Eleven Inc (SEI) for the launch of 7-Eleven convenience stores in India
**Reliance to bring 7-Eleven convenience stores to India**
The Economic Times, October 8, 2021
TRADE AND INVESTMENT

India reports $101.89 billion in exports in the quarter ending September
*India’s quarterly exports cross $100 billion-mark for the first time*
The Hindustan Times, October 2, 2021

The UK wants to strike agreements covering trade and security with India to challenge influence of authoritarian states
*UK wants trade and security pact with India, says minister Liz Truss*
The Economic Times, October 3, 2021

India’s gold imports in September soared 658% from last year's lower base
*India's gold imports surge nearly 8 times in September as prices drop: Source*
The Economic Times, October 4, 2021

Adani Green Energy Ltd completes acquisition of the largest solar power developer in the world
*Gautam Adani seals the largest deal in India’s renewable sector with SB Energy buy for $3.5 billion*
The Economic Times, October 4, 2021

83% exporters worry about competitiveness as global trade gathers pace
*As trade pick up, exporters worried about competitiveness challenge: Survey*
Business Standard, October 5, 2021

UN ESCAP-ADB report urges Asian nations to refrain from imposing trade restrictions including non-tariff barriers
*Impact of protectionist measures on global economy has never been positive: Report*
The Economic Times, October 6, 2021

India’s exports are expected to rise due to robust external demand
*India’s exports likely to get a boost as WTO raises trade outlook*
Business Standard, October 6, 2021

Danish pharmaceutical company exits India as part of the company’s global strategy
*Danish pharma company Lundbeck downs shutters in India*
The Economic Times, October 6, 2021
Cargo volumes at Indian ports to continue witnessing improvement after reaching pre-COVID levels
*Icra says FY22 port cargo volumes to remain robust, exceed pre-Covid level*
Business Standard, October 7, 2021

India and US must strengthen strategic partnership into a more comprehensive economic and trade partnership
'US has huge investment surplus that can be used in India’s infra sector'
Business Standard, October 7, 2021

India raises concerns over new trade barriers imposed by some developed countries
*Covid passport, vaccine discrimination new trade barriers: India to WTO*
The Economic Times, October 7, 2021

German conglomerate Siemens finalising its strategic plan for the next five years for India
*Siemens firming up big India investment plans*
The Economic Times, October 7, 2021

Union Minister for Commerce urges exporters to increase export volume next year
"Aim for $450-$500 billion exports next year" - Piyush Goyal
PIB, October 8, 2021
INTERNATIONAL SCENE

India ready to engage on discussions for operationalising Global Goal on Adaptation in COP 26
India promises to engage constructively at COP 26 and evaluate bridging proposals to conclude Paris rulebook
PIB, October 2, 2021

WTO projects growth to moderate as merchandise trade approaches its pre-pandemic long-run trend
WTO estimates global merchandise trade volume growth at 10.8% in 2021
Business Standard, October 5, 2021

Risks and obstacles to a balanced global recovery have become even more pronounced
'Risks to a broad global recovery are rising: IMF chief
The Hindustan Times, October 5, 2021

UN warns of expected water shortage by 2050
5 billion people could face water shortage by 2050: UN
Live mint, October 6, 2021

India working towards identifying the vacuum areas in international policy coordination
At G20 conference, FM bats for strengthening effectiveness of FATF, IMF
Business Standard, October 7, 2021

India is "very close" to arriving at the specifics of the two-pillar taxation proposition, says FM Nirmala Sitharaman at G20 conference
India in last stage of finalising details on global minimum tax
The Economic Times, October 7, 2021

Minister of External Affairs, Mr. S Jaishankar delivers keynote address at USIBC India Ideas Summit & 46th Annual Meeting
Keynote Address by the External Affairs Minister at USIBC India Ideas Summit & 46th Annual Meeting
Ministry of External Affairs, October 7, 2021
Minister of External Affairs, Mr. S Jaishankar participates in the India ASEAN Business Summit

**Remarks by the External Affairs Minister at the inaugural session of the India ASEAN Business Summit**
Ministry of External Affairs, October 7, 2021

World Bank expects India’s GDP to grow by 8.3 per cent

**India estimated to grow at 8.3% in the current fiscal: World Bank**
The Hindu BusinessLine, October 7, 2021

Commerce and industry minister Piyush Goyal calls for a renegotiation of the India-ASEAN free trade agreement (FTA) to prevent its misuse by third parties

**Need to re-negotiate FTA with ASEAN to stop misuse by third parties: Piyush Goyal**
The Economic Times, October 8, 2021

PM Modi and Her Excellency Ms. Mette Frederiksen, reconfirm their commitment to an aspiring and results-oriented Green Strategic Partnership, welcome the detailed 5-year Action Plan (2021-2026)

**India–Denmark Joint Statement during State Visit of Prime Minister of Denmark to India**
Ministry of External Affairs, October 9, 2021

Shri R.K. Singh and the Rt Hon Kwasi Kwarteng MP, Secretary of State for Business, Energy & Industrial Strategy (BEIS) co-chair Ministerial Energy Dialogue

**3rd India – UK Energy for Growth Partnership – Ministerial Energy Dialogue**
PIB, October 9, 2021