Weekly Economic Roundup

56% CEOs say the economy will now grow at nearly 10%

CII Poll

Optimism on business sentiment, capacity utilisation, exports, increase in revenue

Govt’s strong emphasis on public works, timely interventions to boost liquidity, and several reforms in the recent months have buoyed optimism

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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.

At a time of disruptive change in the global order, DPG aims to deliver research based, relevant, reliable and realist policy perspectives to an actively engaged public, both at home and abroad. DPG is deeply committed to the growth of India’s national power and purpose, the security and prosperity of the people of India and India’s contributions to the global public good. We remain firmly anchored within these foundational principles which have defined DPG since its inception.

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.

Cover Photograph:

CEOs expect 9-10% economic growth in current fiscal, says CII poll- Source: @FinMinIndia|Twitter
India’s rooftop solar capacity addition tripled to 1.3 GW during January-September 2021 as compared to the same period a year ago, as per a report- Source: @bsindia|Twitter

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POLICY AND REGULATORY FRAMEWORK

Bhartiya Mazdoor Sangh urges government to increase minimum pension to ₹5000 a month

*Bhartiya Mazdoor Sangh urges government to increase minimum pension under EPS*

The Economic Times, December 18, 2021

Manufacturing of cold chain equipment to transport vaccines, specimens and blood samples will attract 18% GST

*Many equipment used for carrying Covid shots to attract 18% GST*

The Economic Times, December 18, 2021

Government is working on providing enabling environment and market access to the gems and jewellery sector

*Need gems, jewellery sector to have bigger ambition: Piyush Goyal*

The Indian Express, December 19, 2021

Union Minister for Commerce and Industry Piyush Goyal asserts that India will achieve $400 billion export target this year (2021-22)

*India will achieve $400 billion export target this year: Piyush Goyal*

Live mint, December 19, 2021

Four labour codes likely to be implemented in the next financial year as a large number of states finalise draft rules

*4 labour codes likely to be implemented by FY23 as states ready draft rules*

Business Standard, December 19, 2021

Reverse migration of workers to urban areas results in subdued demand for MGNREGS work

*Lack of funds: MGNREGS work offers may be one of the lowest ever in Dec*

The Financial Express, December 20, 2021

SEBI bars launch of futures contracts in agricultural commodities to check their rising prices

*Centre bans futures trade in seven agri commodities including soy complex*

Business Standard, December 20, 2021
PM Modi assures industry leaders regarding government focus on reducing the compliance burden while exhorting the top companies to make full use of the PLI scheme

Government will focus on reducing compliance burden: PM Modi assures India Inc.
Business Standard, December 20, 2021

Government recovers money through sale of assets of defaulters
‘Government recovers ₹13,109 crores by selling assets of defaulters’
Live mint, December 21, 2021

Government cuts basic customs duty on refined palm oil to increase domestic supplies and bring down retail prices of cooking oil
Government cuts import duty on refined palm oil to 12.5% from 17.5%
Live mint, December 21, 2021

Government measures to improve ease of doing business expected to push investments in 2022
PM Gati Shakti plan, single window clearance to boost FDI inflows in 2022
Business Standard, December 21, 2021

Traders can import refined palm oil without licence till end of December 2022: Government
India allows refined palm oil imports until Dec 2022 to cut prices
Business Standard, December 21, 2021

Loans of ₹2,714 crore disbursed under PM’s Scheme for Street Vendors
Centre disburses loans amounting to ₹2,714 crores to 27.06 lakh beneficiaries under PM SVANidhi scheme
The Economic Times, December 21, 2021

Cost of state debt rises, up 16 bps over the past week
Cost of state debt soars past 7%-mark
The Hindu, December 22, 2021

Increasing the buoyancy of tax revenue, mobilisation of resources through monetisation of assets and effectiveness of public expenditure are measures directed to ensure fiscal consolidation
Cash support to Covid-hit economy with fiscal consolidation in focus: Finance ministry report
The Financial Express, December 22, 2021
Merchant Payments Alliance of India and Alliance of Digital India Foundation urge RBI to extend the card-on-file (CoF) tokenisation deadline due to operational challenges that may hinder transition to the token-based payments ecosystem.

*Industry bodies urge RBI to extend card tokenisation deadline of Dec 31*

Business Standard, December 22, 2021

Government notifies new semiconductor policy to push manufacturing of semiconductor chips

*Government notifies new semiconductor policy*

The Economic Times, December 22, 2021

Atal Innovation Mission (AIM) under the NITI Aayog develops a vernacular innovation program aimed at empowering innovators and entrepreneurs

*Niti Aayog launches vernacular innovation programme in 22 languages for entrepreneurs*

The Economic Times, December 22, 2021

Union Minister for Commerce and Industry Minister Piyush Goyal highlights the need for a single identification number for businesses and individuals to ensure smooth and fast delivery of services

*Piyush Goyal calls for single identification number for businesses, individuals*

The Economic Times, December 22, 2021

RBI Governor urges for continued policy support for a durable, broad-based and self-sustaining rebound

*RBI Governor pitches for continued policy support to aid revival*

The Hindu, December 22, 2021

Economists urge the government to continue to bolster expenditure and not worry about the fiscal trajectory for FY23

*Pre-Budget meet: Focus on growth, bold reforms, say economists*

The Financial Express, December 23, 2021

More than 25,000 compliances reduced by centre so far in its bid to promote Ease of Living and Ease of Doing Business

*Over 25,000 compliances reduced to aid ease of doing biz: DPIIT*

Business Standard, December 23, 2021
Government announces tariff guidelines for PPP projects in major ports, to improve competitiveness of ports

Government takes a step towards deregulating PPP tariffs at major ports
Business Standard, December 23, 2021

Centre to develop national database of cooperatives to better implement the proposed national policy on cooperatives

Government to develop national database on cooperatives: Cooperation Secy D K Singh
The Economic Times, December 23, 2021

Import of toys shrank 53.58% on-year in FY21

Toy imports fell in last 3 years: Government to Parliament
The Economic Times, December 23, 2021

Centre advises States and UTs to not let their guard down and maintain their preparedness for fighting COVID19

Centre reviews COVID19 status and preparedness in States/UTs, in view of Omicron variant
PIB, December 23, 2021

RBI defers implementation of tokenization of debit and credit cards for online transactions by a further six months

RBI defers tokenization deadline by six months
The Hindu, December 23, 2021

Indian industry must take advantage of the massive untapped potential in the agricultural sector and transform it to be sustainable and future-ready

India can generate $ 813 billion in revenues from agriculture, food sector by 2030: Report
The Financial Express, December 23, 2021

Industry body Assocham suggests that the government cut TDS to reduce litigation

Assocham suggests rationalisation of TDS in Union Budget
The Financial Express, December 23, 2021

Centre disburses 8.05 million free cooking gas connections under the second phase of the Pradhan Mantri Ujjwala Yojana

Government gave 8 mm free cooking gas connections in 2021-22: Ministry
Business Standard, December 23, 2021
Strategic sale of Neelachal Ispat Nigam Limited moves to concluding stage with the government receiving the financial bids

**Bids received for Neelachal Ispat Nigam Ltd : Dipam Secy**

The Economic Times, December 23, 2021

Jal Jeevan Mission reflects the government’s mission to ensure that every household has a clean water tap

**In India’s water-stressed villages, Modi seeks a tap for every home**

Business Standard, December 24, 2021

Key government panel suggests amendments to IBC to ensure swift approvals for resolution plans

**Government Panel for amendments to Insolvency and Bankruptcy Code**

The Economic Times, December 24, 2021

Financially inclusive monetary policy will result in policy effectiveness and welfare maximization

**India’s monetary policy financially inclusive by design: RBI Deputy Governor Patra**

The Economic Times, December 24, 2021

Government imposes inventory holding limits on soymeal

**Government imposes stock holding limits on soymeal till June 2022 to tame prices**

Business Standard, December 24, 2021

DGTR recommends imposition of anti-dumping duty on caustic soda for 5 years to guard domestic players from cheap imports

**Commerce Ministry for imposing anti-dumping duty on a chemical from four nations**

The Economic Times, December 24, 2021

141.01 crore vaccine doses are administered so far under Nationwide Vaccination Drive

**COVID-19 UPDATE**

PIB, December 25, 2021
ECONOMIC TRENDS

Growth momentum loses steam due to satiation of pent-up demand and supply-chain disruptions
*Growth momentum loses steam in Nov amid demand, supply disruption: ICRA*
Business Standard, December 18, 2021

Weakening rupee to add to price pressures at the retail level, warn economists
*High WPI inflation may pinch retail consumers in 3-4 months: Economists*
The Economic Times, December 19, 2021

Economic indicators indicate path towards strong recovery
*Growth could stay weak as demand remains subdued*
The Financial Express, December 20, 2021

CEOs express optimism that the economy is all set for a strong rebound in the current fiscal
*CEOs expect 9-10% economic growth in current fiscal, says CII poll*
Business Standard, December 20, 2021

Retail sales in *India* in November grow signalling improvement in business
*Domestic retail sales in November up 9% over pre-pandemic levels: RAI*
Business Standard, December 20, 2021

EPFO payroll shows a 10% rise in subscribers in October 2021
*EPFO adds 12.73 lakh subscribers in October*
The Economic Times, December 20, 2021

Daily e-way bill generation under the Goods and Services Tax system is 2.6% higher for the week-ended December 19
*E-way bill generation shows steady rise*
The Financial Express, December 21, 2021

India’s rooftop solar capacity addition triples, Y-o-Y
*India’s rooftop solar addition triples to 1.3 GW in Jan-Sep 2021: Report*
Business Standard, December 21, 2021

As online transactions improve, UPI emerges as a favourite digital payment choice
*88% growth in volume of digital transactions during last 3 years since 2018-19*
PIB, December 21, 2021
FICCI President Sanjiv Mehta expresses optimism at India’s economic growth trajectory

Green shoots seen: Inflation should ease by mid-2022, says Ficci president Sanjiv Mehta
The Financial Express, December 22, 2021

Job postings in the education and BFSI (banking, financial services and insurance) sector witness a growth

Demand for non-tech job roles witnesses’ growth in 2021: Report
Business Standard, December 23, 2021

Economists anticipate increase in inflation as GST rates are raised

CPI could rise 100-125 bps if GST rates raised as suggested by the finance commission: Report
The Economic Times, December 23, 2021

Covid-19 pandemic increase vulnerability of households

Outbreak of pandemic led to an increase in number of households with no earning members: CMIE
The Economic Times, December 23, 2021

Bitcoin increases, touching the highest level in more than two weeks due to positive sentiment in financial markets

Bitcoin climbs to $51,000, hits highest in more than two weeks
The Hindustan Times, December 24, 2021
**TRADE AND INVESTMENT**

Rupee weakening to a 20-month low against the dollar to provide gains to exporters

*Labour-intensive exports may gain as rupee hits 20-month low*

The Economic Times, December 18, 2021

India and Taiwan resolve to broad base overall bilateral economic engagement

*India, Taiwan holding talks on free-trade agreement, looking at setting up semiconductor hub*

The Economic Times, December 19, 2021

Forex reserves decline by $77 million to reach $635.828 billion during the week ended December 10

*Forex reserves stem decline, down for third straight week*

The Indian Express, December 19, 2021

India's coal import decline, Y-o-Y

*India’s coal imports declines 27% to 16 million tonnes in October*

Business Standard, December 20, 2021

Kuwait Petroleum Corp extends oil supply contracts by three months to March 2022

*Kuwait extends oil supply deal for Indian refiners to March: Report*

Business Standard, December 20, 2021

Gem and jewellery exports decline in November due to break in manufacturing activity during Diwali

*Gem, jewellery exports decline by 4.21% in November to ₹17,784.92 crores: GJEPC*

The Financial Express, December 21, 2021

India and France discuss potential for cooperation in various sectors as trade between the two countries witness a steady rise in the last decade

*India, France push blue economy & investment partnership*

The Economic Times, December 21, 2021

Closer cooperation between India and the UK sets the stage for FTA talks scheduled in January 2022

*With FTA between India and UK on the horizon, 2021 winds up on a promising note*

The Economic Times, December 22, 2021
Ban on access to futures contracts to induce volatility in domestic markets
India’s curb on futures trade threatens food supply chain
The Economic Times, December 22, 2021

Duty cut on refined palm oil to make India the biggest buyer of vegetable oil, while harming employment generation and value addition within India
Duty cut could lift India’s refined palm oil imports, dent CPO purchases
Business Standard, December 22, 2021

India’s exports may slow to 15-17.5% in FY23 due to emergence of new variants and supply-chain challenges
FIEO sees export growth slowing in FY23, aims for $460-475 billion
The Economic Times, December 23, 2021

India & Australia hold talks to expedite bilateral Comprehensive Economic Cooperation Agreement negotiations
Commerce Min Piyush Goyal and Australian Trade Min Dan Tehan holds talk to expedite FTA negotiations
The Economic Times, December 23, 2021

Crude oil imports register an uptick in November as refiners boost their runs in expectation of higher demand in Q4
India’s crude imports hit 10-month peak as refiner’s bank on strong demand
Business Standard, December 24, 2021

Engineering exports to China double to USD 434.6 million in November 2021
Indian engineering exports to China doubles in November 2021
The Economic Times, December 24, 2021
INTERNATIONAL SCENE

In the 3rd meeting of the India-Central Asia Dialogue, the Foreign ministers recognised the need for continued economic cooperation between Central Asian countries and India to strengthen and expand interconnectivity and also stressed on the importance to achieve full potential for trade

Joint Statement of the 3rd meeting of the India-Central Asia Dialogue
MEA, December 19, 2021

India, ADB sign loan for establishing skill university in Assam
Asian Development Bank to provide $112 million to set up skill university
Business Standard, December 20, 2021

India and Asian Development Bank sign a loan to provide access to inclusive, resilient and sustainable housing for the urban poor in Tamil Nadu
ADB’s $150-million loan to provide affordable housing for urban poor in Tamil Nadu
The Financial Express, December 21, 2021

OECD rules to implement 15% tax rate on multinational entities
OECD paves way for new global tax regime roll-out
The Economic Times, December 21, 2021

NITI Aayog and United Nations World Food Programme to address issues related to inclusion of millets in government programmes
NITI Aayog enters into agreement with UN WFP to diversify food basket in programmes
The Economic Times, December 21, 2021

REC Limited enters into an agreement with KfW Development Bank for availing ODA term loan of USD 169.5 million under Indo-German Bilateral Partnership
REC signs agreement with KfW Development Bank to finance Power Sector and Renewable Energy Projects
PIB, December 23, 2021

WE WISH ALL OUR READERS A MERRY CHRISTMAS AND A VERY HAPPY AND SAFE NEW YEAR 2022