Weekly Economic Roundup

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Delhi Policy Group
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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.

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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.

Cover Photograph:

(Courtesy: Growth in eight core sectors’ output surges by 16.8% in May: Government data
Source: @HindustanTimes|Twitter)

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POLICY AND REGULATORY FRAMEWORK

Income tax relief for COVID-19 affected taxpayers who had to rely on financial aid for their treatment costs
COVID-19 relief from employers to victims’ families tax-free
The Hindu, June 26, 2021

FM Sitharaman announces eight economic relief measures
Finance Minister Smt. Nirmala Sitharaman announces relief package of Rs 6,28,993 crore to support Indian economy in fight against COVID-19 pandemic
PIB, June 28, 2021

GoI extends Atmanirbhar Bharat Rozgar Yojana
Government extends Atmanirbhar Bharat Rozgar Yojana till March 2022
The Financial Express, June 28, 2021

India’s disinvestment of public sector companies is on track
Rs 1.75-trn disinvestment target on track: CEA Krishnamurthy Subramanian
Business Standard, June 29, 2021

Large-scale discrepancies unearthed in distribution of benefits under PM Kisan Samman Nidhi Yojana
PM Kisan Samman Nidhi: Eight lakh ‘ineligible’ Jan Dhan account holders received benefits
The Economic Times, June 29, 2021

Four years of GST reduced tax rate increased compliance
GST reduced tax rate, increased compliance; more than 66 crore returns filed in 4 years: Finance Ministry
The Hindu, June 30, 2021

GoI extends ban on international flights amid the pandemic
Government extends ban on international flights till July-end
Livemint, June 30, 2021

Former chairman of the Thirteenth Finance Commission pitches for a “sunset clause”
Have sunset clause for economic laws constraining growth: Vijay Kelkar
Business Standard, June 30, 2021
GoI gives nod to relief package to support pandemic-hit economy  
*Cabinet approves ₹6.29-lakh crore COVID-19 relief package announced by Finance Minister*  
The Hindu, June 30, 2021

India’s current account surplus is 0.9% of GDP in FY 21  
*India reports current account surplus of 0.9% in pandemic-affected FY21: RBI data*  
The Hindu, June 30, 2021

Government is following a capex-driven strategy to boost economic activity  
*Centre following capex-driven plan to boost economy: Krishnamurthy Subramanian*  
The Hindustan Times, June 30, 2021

Cabinet gives nod to Scheme to improve the operational efficiencies and financial sustainability of all DISCOMs  
*Cabinet approves Revamped Distribution Sector Scheme: A Reforms based and Results linked Scheme*  
PIB, June 30, 2021

Tech companies should be accountable to India’s Constitution and laws  
*Twitter should be accountable to Indian laws while operating here: Prasad*  
Business Standard, July 1, 2021

Enhanced revenue collection in recent months should now be the ‘new normal’  
*Enhanced GST revenue collections should now be ‘new normal’: FM*  
Business Standard, July 1, 2021

Covid-19 pandemic affects digital education options available to schools  
*In academic year 2019-20, only 22% Indian schools had Internet*  
The Hindu, July 1, 2021

RBI Governor flags the rising data breaches and cyber attacks as a risk as economy shows signs of recovery following second Covid wave  
*Economic activity recovering since late-May; rising cyber attacks a risk: Shaktikanta Das*  
The Economic Times, July 1, 2021

RBI raises alarm upon impending bad loans of the banking system  
*RBI rings warning bell on rising bad loans, stress among MSMEs*  
The Indian Express, July 2, 2021
Revenue collections bolstered by public infrastructure investments to propel economy

Need to formalise 'large underbelly' of economy: FM
The Hindu, July 2, 2021

GoI extends validity of the interest equalisation scheme for pre-and-post-shipment rupee export credit by three months

Interest equalisation scheme for exporters extended by 3 months
The Financial Express, July 2, 2021

PM Modi pays tribute to the services and sacrifices of doctors during pandemic

PM addresses doctors on National Doctors’ Day
PIB, July 1, 2021

Commerce Ministry launches portal to enhance urban freight systems

Commerce Ministry’s Logistics Division unveils plans for ‘Freight Smart Cities’
PIB, July 2, 2021

India's Active Caseload declines to 4,95,533; less than 5 lakh after 97 days

COVID-19 UPDATE
PIB, July 3, 2021

India’s cumulative vaccination coverage crossed the landmark of 34 crore

India’s COVID19 Vaccination Coverage increases to 34.46 Crore
PIB, July 3, 2021
ECONOMIC TRENDS

Former RBI Governor expresses optimism at India’s economic recovery
If we do not attract a third wave, there is hope for 9 % GDP growth in 2021-22: Dr Rangarajan
The Financial Express, June 26, 2021

Crude steel output registers a Y-o-Y growth
India’s crude steel output grows 46.9% to 9.2 million tonnes in May: Report
Business Standard, June 28, 2021

India shows more signs of cooling as local lockdowns ease
Indian economy takes a breather in May before gaining momentum
The Economic Times, June 28, 2021

Unemployment rate declines for the week ended June 27
Unemployment rate down to 8.7%, LPR fall a cause for concern
The Financial Express, June 29, 2021

COVID-19 pandemic and resultant lockdowns push Credit growth to negative territory
Credit growth to industry remained in negative zone during 2020-21: RBI
The Economic Times, June 29, 2021

Retail inflation for industrial workers rises marginally in May 2021
Retail inflation for industrial workers rises marginally to 5.24 pc in May
The Financial Express, June 30, 2021

Credit to non-food sectors register a slowdown
Non-food bank credit grows at 5.9% in May: RBI data
The Economic Times, June 30, 2021

Eight core sectors in India report a spike in May 2021
Growth in eight core sectors' output surges by 16.8% in May: Government data
The Hindustan Times, June 30, 2021

India’ peak electricity demand recorded all-time high
India’s peak electricity demand hits fresh high of 191.24 GW on Wednesday
Livemint, July 1, 2021
Jobless rate declines in June 2021 as most economic activities have resumed. India's June jobless rate falls to 9.17% from 11.90% in May: CMIE. Business Standard, July 1, 2021.

Price of a domestic (14.2 kg) LPG cylinder hiked due to rise in international prices of crude oil. Domestic, commercial LPG cylinder prices hiked as crude prices rise. Business Standard, July 1, 2021.

Impact of the second covid wave on balance sheet of banks is much less than projected. Indian banks better placed to withstand shocks: Shaktikanta Das. Livemint, July 2, 2021.


Demand for work under the MGNREGA scheme 21.48 per cent lower, Y-o-Y. MGNREGA work demand remains muted for second straight month in June. Business Standard, July 2, 2021.
TRADE AND INVESTMENT

Imports of gold surge during April-May 2021
Gold imports jump multi-fold to USD 6.91 billion in April-May on low base effect
The Economic Times, June 27, 2021

Imports of coal surge in April 2021
India's coal import rises 30% to 22 million tonnes in April
Business Standard, June 28, 2021

Bangladesh to buy 50,000 tonnes of non-basmati rice from India
After Africa and China, Bangladesh looks to buy non-basmati rice
The Economic Times, June 28, 2021

Effective FTAs to boost exports and attract investments
FTAs with key nations will boost exports, attract more investments: FIEO
Business Standard, June 29, 2021

India cut the base import tax on crude palm oil to 10% from 15%
India cuts crude palm oil import tax, potentially boosting imports
Business Standard, June 30, 2021

Ministry of Commerce recommends imposition of CVD on aluminium wires from Malaysia
DGTR for imposing countervailing duty on aluminium wires from Malaysia
The Economic Times, June 30, 2021

Import restrictions on refined palm oil removed to help increase availability of the commodity in the domestic market
Government removes import restrictions on refined palm oil till December
The Financial Express, June 30, 2021

India initiates anti-dumping probe of electrogalvanized steel
India starts probe into alleged dumping of electrogalvanized steel from Korea, Japan, Singapore
The Financial Express, July 2, 2021

India’s merchandise exports in June 2021 increase by 47.34% to USD 32.46 billion
INDIA’S MERCHANDISE TRADE: Preliminary Data, June 2021
PIB, July 2, 2021
Merchandise export surge in the first quarter of April to June, 2021

*India achieves highest ever Merchandise export of 95 Billion dollar in first quarter of current financial year*

PIB, July 2, 2021
INTERNATIONAL SCENE

FM Nirmala Sitharaman invites American investors to cash in India's new FDI reforms
Cash in on opportunities arising out of recent FDI reforms: FM Nirmala Sitharaman to US investors
The Financial Express, June 26, 2021

India achieves significant COVID-19 vaccination milestone
India overtakes the US in total covid vaccine doses administered
Livemint, June 28, 2021

US announces financial aid to help India respond to the COVID-19 pandemic
US announces USD 41 million additional COVID 19 assistance to India
The Financial Express, June 29, 2021

US and India discuss shared interest in implementing a robust global minimum tax
FM Sitharaman, US Treasury Secretary Yellen discuss global minimum tax
Livemint, June 30, 2021

G20's Matera Declaration express concern for food insecurity and commits to addressing food emergencies
Matera Declaration on Food Security, Nutrition and Food Systems
G20, June 30, 2021

India joins OECD/G20 Inclusive Framework to address the tax challenges arising from the digitalisation of the economy
India joins OECD/G20 Inclusive Framework tax deal
PIB, July 2, 2021