Weekly Economic Roundup

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Delhi Policy Group
Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003
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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.

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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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*Photograph*

‘India at 3rd in RE investment attractiveness index’. India remained at third position among the top 40 markets in terms of attractiveness of their renewable energy (RE) investment and deployment opportunities- Source: @EconomicTimes | Twitter

Consumer sentiments improve in October so far: CMIE- Source: @EconomicTimes | Twitter

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POLICY AND REGULATORY FRAMEWORK

RBI to red flag DeFi (decentralised finance) applications and projects
RBI looks to red flag decentralised finance applications
The Economic Times, October 9, 2021

Reserve Bank of India retains its growth forecast at 9.5% for FY22 while revising down its inflation forecast to 5.3%
RBI retains GDP Forecast at 9.5%, revises inflation estimate down at 5.3%
The Economic Times, October 9, 2021

Government initiates the process of filling about 100 vacancies to meet regulatory norms of corporate governance
Government initiates process for filling posts of independent directors in PSBs, FIs
The Economic Times, October 10, 2021

There is stock of about 72 lakh tonnes of coal, sufficient for four days
Ample supply of coal, fears of power supply disruption unfounded: Ministry
The Hindustan Times, October 10, 2021

Total outstanding dues owed by electricity distribution companies to power producers increase
Discoms' outstanding dues to gencos rise 3.3 per cent to ₹1,16,127 crores in October
The Hindu BusinessLine, October 11, 2021

Volatility in the prices of crude oil, edible oils and metal products pose concerns for India's economy
Government says volatile crude oil prices pose concerns for the economy
Business Standard, October 11, 2021

Ministry of Finance releases the seventh monthly instalment of Post Devolution Revenue Deficit Grant to the states
Revenue Deficit Grant of ₹9,871 crore released to 17 states
Business Standard, October 11, 2021

Strategic reforms and the rapid vaccination drive has placed the country on the path to swift recovery
Indian economy on path to swift recovery: Finance Ministry report
Business Standard, October 11, 2021
India is well-placed on the path to swift recovery: Finance Ministry report
*Finance Ministry Monthly Review: ‘Growth impulses transmitted to all sectors; inflationary tendencies transitory’*
The Indian Express, October 12, 2021

Market concentration in the Indian aviation industry will rise as a consequence of *Air India* privatisation, putting it higher than in telecom
*After Air India privatisation, aviation set to be 2nd most concentrated market*
Business Standard, October 12, 2021

Union cabinet extends Swachh Bharat Mission (urban) and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) by five years
*Cabinet approves the Atal Mission for Rejuvenation and Urban Transformation – AMRUT 2.0 till 2025-26*
The Economic Times, October 12, 2021

Government engaging with States and Union Territories to implement the export hub initiative in all districts of the country to tap the export potential of agriculture and industrial products
*Government engaging with States, UTs to implement ‘export hub initiative’ in all districts: Patel*
The Hindu BusinessLine, October 13, 2021

PM Modi launches the ambitious Gati Shakti Master plan to provide multi-modal connectivity to more than 1,200 industrial clusters
*PM Modi unveils ₹100 lakh crore Gati Shakti plan: All you need to know*
The Times of India, October 13, 2021

Union coal ministry launches third tranche of commercial coal auctions
*Government launches third tranche of commercial coal auctions with 88 mines*
The Financial Express, October 13, 2021

Cabinet Committee on Economic Affairs approves an additional subsidy on phosphatic and potassic *fertilisers*
*Cabinet okays ₹28,655 crore subsidy on P&K fertilisers for rabi season*
Business Standard, October 13, 2021
India is now better positioned to face any tapering of bond purchases by the US Federal Reserve

*India in a much better position to handle taper now than 2013: Former RBI governor D Subbarao*

The Economic Times, October 13, 2021

Government to receive investment from 31 companies over 4 years in telecom

*Government approves 31 proposals for telecom PLI scheme of ₹3,345 crore investment*

Business Standard, October 14, 2021

Credit disbursement by public and private lenders, SFCs, NBFCs and other lending institutions under MUDRA scheme stood at 95 per cent

*Mudra Yojana: MSMEs disbursed nearly 100% of sanctioned loan amount in H1 FY22, shows government data*

The Financial Express, October 14, 2021

PM Gati Shakti to not only save money, but also time and effort

*Gati Shakti master plan may help cut logistics cost to 8% of GDP*

Business Standard, October 15, 2021

Railways to develop multi-modal cargo terminals under Gati Shakti

*Government to spend around ₹50,000 crores to create 500 multi-modal cargo terminals in 4-5 years*

The Economic Times, October 15, 2021

SEBI constitutes committee on settlement orders and compounding of offences

*Sebi forms 4-member high powered advisory committee on settlement orders*

The Economic Times, October 15, 2021

PM Modi dedicates seven new Defense companies to the nation to enhance functional autonomy, efficiency and unleash new growth potential & innovation

*Seven new defence companies, carved out of OFB, dedicated to the Nation on the occasion of Vijayadashami*

PIB, October 15, 2021
ECONOMIC TRENDS

Indian job market maintained its record-breaking run for the third consecutive month in a row

Indian job markets up 57% annually in Sept ahead of festive season: Naukri
Business Standard, October 9, 2021

Power consumption dips by nearly 2 per cent

Coal crisis: Power consumption moderates by 72 million units on Saturday
Business Standard, October 10, 2021

Consumer confidence index improves in September 2021, reflects lower pessimism of consumers

RBI Survey: CCI for September clocks 57.7, up from 48.6 in July
The Hindu BusinessLine, October 11, 2021

Icra revises downwards the growth forecast for the auto components industry for the ongoing fiscal year

Icra slashes growth forecast for auto parts industry to 17-20% for FY22
Business Standard, October 11, 2021

Number of subscribers in various pension schemes increase by 24 per cent

Subscribers under pension schemes rise to 4.63 crores at Sept-end: PFRDA
The Economic Times, October 11, 2021

India’s economy is poised to achieve 10.25 per cent GDP growth in FY 2021-22 on the back of effective government policies, Reserve Bank’s accommodative policy stance and improved business sentiments

Indian economy poised to attain double-digit growth in FY22: PHDCCI
The Economic Times, October 11, 2021

Securitisation volumes double to ₹42,200 crores during the first half of the current fiscal

Securitisation volumes almost doubled in first six months of this fiscal: Icra
The Economic Times, October 11, 2021

India is the third largest start-up ecosystem globally by number of start-ups

By 2025, India can have 200 unicorns. Here is how
The Hindustan Times, October 11, 2021
Daily e-way bill generation for goods transportation under GST came in at 24.2 lakh for the week ended October 10
Daily e-way bill generation picks up pace in October
The Financial Express, October 12, 2021

Unemployment rate increases for the week ended October 10
Unemployment rate shoots up to 8.86%
The Financial Express, October 12, 2021

Non-food credit registers an uptick, Y-o-Y
Non-food credit growth hits 18-month high of 6.75%
The Financial Express, October 12, 2021

Consumer price index inflation stood at 4.35 per cent in September 2021
CPI Inflations slides to five-month low in September
BloombergQuint, October 12, 2021

India’s industrial production grew in August 2021
Industrial production grows 11.9% in August
The Hindu, October 13, 2021

September fuel consumption crawls higher M-o-M as economic activity continued to ramp up
India’s September fuel demand steady, rising oil prices cloud outlook
Business Standard, October 13, 2021

A 3 per cent Y-o-Y increase of solar and wind capacities added by India between July 2020, June 2021
India adds 6,530 MW solar, wind capacities during July 2020-June 2021: Report
Business Standard, October 13, 2021

Retailers report strong recovery in sales in September
Retail sales in September at 96% of pre-pandemic levels
Live mint, October 13, 2021

Infosys Ltd and Wipro Ltd raise revenue growth forecast for this fiscal
Infosys raises FY22 outlook, Wipro hits $10 billion run rate
Live mint, October 14, 2021
Work demand and employment provided under MGNREGA falls by 10.9% in September

Employment under MGNREGA in September falls to lowest since Covid outbreak
The Economic Times, October 14, 2021

Consumer sentiments improved by 9.8% for the week ended October 10

Consumer sentiments improve in October so far: CMIE
The Economic Times, October 14, 2021

Four Indian firms are amongst the top 100 companies to work for, according to the "World's Best Employers rankings 2021"

Four Indian companies in Forbes world’s top 100 best employers list
Live mint, October 14, 2021

Wholesale price-based inflation remains at 10.66% in September, helped by moderating food prices

Wholesale inflation eases but stays in double digits
Times top100, October 15, 2021
TRADE AND INVESTMENT

Group of 136 countries set a minimum global tax rate of 15% for big companies seeking to make it harder to avoid taxation

India joins 135 other countries for a historic Global Corporate Tax pact in a last-minute deal
The Financial Express, October 9, 2021

Indian exporters exploring newer possibilities emerging due to free trade pacts

Indian exporters to explore wider opportunities for business with Mauritius
The Hindu BusinessLine, October 10, 2021

Aggressive marketing of products, timely implementation of FTAs and affordable credit to MSME players to help in taking India's merchandise exports to USD 500 billion

Aggressive marketing, timely roll out of FTAs to help exports touch $500 billion in FY22, exporters say
The Financial Express, October 10, 2021

Economic necessity forces India to wrap up a clutch of quick-fire bilateral trade pacts by the end of March 2022

India does a turnaround on trade spurred by post-covid economic reality
Livemint, October 11, 2021

Import volumes decline with global spot LNG prices climbing to record highs amid low stocks, high demand and limited supply of fuel

LNG import falls 13.6% in September
The Financial Express, October 12, 2021

India imports a record volume of palm oil in September

Palm oil imports skyrocket to record 12.62 lakh tones in September
The Hindu BusinessLine, October 13, 2021

India’s total trade with Japan has increased from $10 billion to almost $18 billion over the past decade

Indo-Japan trade increases to $18 billion in 2019: Exim Bank study
The Hindustan Times, October 13, 2021

India-China trade volume is set to register a noteworthy increase

India-China trade on course to touch record USD 100 billion-mark
The Financial Express, October 13, 2021
Export-Import Bank of India targets to achieve financing of USD 7 billion of project exports over the next five years
Exim Bank targets $7 billion financing of project exports over 5 years
The Economic Times, October 13, 2021

Base import taxes on palm oil, soy oil and sunflower oil is slashed to cool near-record price rise
India cuts import taxes on vegetable oils to calm prices
The Hindustan Times, October 13, 2021

India remained at the third position in the 58th edition of EY’s ‘Renewable Energy Country Attractiveness Index’
India retains 3rd position in RE investment attractiveness index
The Economic Times, October 13, 2021

Foreign exchange reserves in India will not insulate India from any global shocks but will help manage them
Strong foreign exchange reserves to help India manage global stocks
Live mint, October 13, 2021

Bottlenecks at container terminals around the world to impact global supply chain
Worst ship traffic jam since August is new headache for supply chain
The Economic Times, October 13, 2021

Jawaharlal Nehru Port Trust, handles 2,703,051 TEUs during the first half of this financial year
JNPT records 40.40% growth in container traffic in first half of FY 21-22
PIB, October 14, 2021

India’s merchandise trade deficit widens to a record $22.59 billion in September
September trade gap at 14-year high, goods exports grow 22.76%
The Economic Times, October 15, 2021

Soaring global commodity prices, including of key inputs such as oil, chemicals, metals, plastic and cotton to help India achieve the $400 billion annual exports milestone
India set to achieve the $400 billion annual exports milestone
The Economic Times, October 15, 2021
INTERNATIONAL SCENE

Multinational corporations will be subject to a minimum tax of 15% from 2023, in a major reform of the international tax system
OECD fixes minimum tax of 15% on MNCs from 2023
The Economic Times, October 9, 2021

India to extend support for development projects in Kyrgyzstan
India agrees to $200 million Line of Credit to support projects in Kyrgyzstan
Livemint, October 11, 2021

3 U.S. based economists win economics Nobel Prize for work on “natural experiments”
Three US-based economists receive 2021 Nobel prize for economics
The Financial Express, October 11, 2021

The next decade will be very important for both India and the US to work together to build businesses on a global basis, say top executives of American private investment firm Bain Capital
Looking forward to investing ‘even more’ in India: Bain Capital leadership after meeting with Sitharaman
The Financial Express, October 12, 2021

Commerce and Industry Minister Piyush Goyal conducts bilateral meetings to give more impetus to trade ties
Piyush Goyal pushes for stronger trade ties at G20 ministerial meet
Business Standard, October 12, 2021

International Monetary Fund retains India’s GDP for the current fiscal
Indian economy to grow by 9.5 per cent in 2021: IMF
The Hindustan Times, October 12, 2021

Commerce and Industry Minister Piyush Goyal calls for waiver of Intellectual Property Rights in World Trade Organisation and dismantling new trade barriers in the global fight against the COVID-19 pandemic
Leading India’s intervention, Shri Piyush Goyal calls for waiver of IPR and dismantling new trade barriers in the global fight against the pandemic
PIB, October 12, 2021

India to be one of the fastest-growing economies
India’s GDP likely to grow at close to double-digit in FY22, says FM Sitharaman
Live mint, October 13, 2021
United Nations, World Bank and International Monetary Fund need to be urgently reformed as they no longer speak for countries whose issues have remained unattended to for decades, says FM Nirmala Sitharaman

**UN, World Bank, IMF in need of urgent reforms, says Nirmala Sitharaman**
The Financial Express, October 13, 2021

India must focus on public investment, particularly in green sectors as Covid cases decline

**Important for India to focus on green investment post-pandemic: IMF**
The Hindu BusinessLine, October 14, 2021

India offers spectrum of opportunities, FM Nirmala Sitharaman tells top American CEOs

**India offers spectrum of opportunities FM tells CEOs**
The Hindu BusinessLine, October 14, 2021

Members of the influential US India Business Council praise India’s reform trajectory and exude confidence in the growing Indian economy

**USIBC meets FM Nirmala Sitharaman; praises India’s reform trajectory**
The Financial Express, October 14, 2021

IMF projects government debt, to rise to a record 90.6 per cent of gross domestic product during 2021-22

**Government debt likely to breach 90% of GDP this year, says IMF report**
Business Standard, October 14, 2021

Two countries and a group of nations evince interest in negotiating a free trade agreement with India

**More countries keen on starting FTA talks with India: Piyush Goyal**
Business Standard, October 14, 2021

Ensuring equitable access to Covid-19 vaccines for all is crucial for transitioning from a crisis to recovery

**Vaccine access for all key to global recovery, FM Nirmala Sitharaman tells G20 peers**
The Economic Times, October 15, 2021

India to remain accommodative in its monetary policy

**RBI Governor to IMF, World Bank: Will remain accommodative in monetary policy**
The Hindu BusinessLine, October 15, 2021
Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman and the Secretary of the Treasury of the United States Dr. Janet Yellen chair the eighth ministerial meeting of the India-U.S.A. Economic and Financial Partnership Dialogue (joint statement attached)

8th ministerial meeting of India-U.S.A. Economic & Financial Partnership Dialogue held in Washington D.C.
PIB, October 15, 2021

India and the US agree to step up cooperation on economic issues, including climate change and infrastructure finance, cooperation in financial regulation and tackling financial crimes

India, US agree to step up economic, climate financing ties
The Hindu BusinessLine, October 15, 2021