



# Delhi Policy Group

Advancing India's Rise as a Leading Power



## Weekly Economic Roundup



Volume II, Issue 6 | February 5, 2021

**Delhi Policy Group**

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

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## DPG Weekly Economic Roundup

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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](mailto: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:

*(Photograph)*

*Courtesy: The Prime Minister, Shri Narendra Modi delivering the statement after the Union Budget 2021-22, in New Delhi on February 01, 2021*

*Source: Press Information Bureau*

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## POLICY AND REGULATORY FRAMEWORK

India's budget outlay for health sector soars

[India's health budget to go up by 137% to over Rs 2.2 lakh crore](#)

The Hindu BusinessLine, February 1, 2021

FM [Nirmala Sitharaman](#) allocates fund for COVID-19 vaccination in FY22

[Rs 35,000 crore budgeted for Covid-19 vaccination expenditure in FY22: FM](#)

Business Standard, February 1, 2021

Budget outlay towards agricultural infrastructure increases by more than 33% from FY21

[Budget 2021: Rural infra development fund increased to Rs 40,000 crore in FY22, says FM](#)

The Financial Express, February 1, 2021

GST collections register a record high in January 2021

[At record Rs 1.19 trillion, GST collections give FM confidence ahead of Budget](#)

Business Standard, February 1, 2021

Budget 2021 proposes to extend the benefit on interest paid on affordable housing loans till March 31, 2022

[Sitharaman gives further push to affordable housing projects in Budget 2021](#)

Business Standard, February 1, 2021

Capital expenditure raised to push growth via infrastructure creation

[Budget 2021: Capital expenditure hiked 34.5% to Rs 5.54 trillion in FY22](#)

BloombergQuint, February 1, 2021

FM Sitharaman proposes to extend social security benefits to gig workers and others

[Social security benefit to be extended to platform, gig workers: FM Sitharaman](#)

The Hindustan Times, February 1, 2021

Budget earmarks additional funds to promote digital transactions

[Finance Minister Nirmala Sitharaman proposes Rs 1,500 crore-scheme to promote digital payments](#)

The Economic Times, February 1, 2021

Government allocates ₹ 3,726 crore for forthcoming Census

[Budget 2021: Finance Minister Sitharaman allocates Rs 3,726 crore for forthcoming Census](#)

The Financial Express, February 1, 2021

Centre allocates funds for Jal Jeevan Mission in Budget 2021

[Rs 2.87 lakh-crore outlay for Jal Jeevan mission: FM](#)

The Economic Times, February 1, 2021

FM Sitharaman announces vehicle scrappage scheme to curb environmental pollution

[To curb pollution, Sitharaman announces voluntary vehicle scrappage policy](#)

The Economic Times, February 1, 2021

FM proposes hike in FDI cap to enhance insurance penetration

[FM proposes increase in FDI cap in insurance sector to 74%](#)

The Economic Times, February 1, 2021

Nirmala Sitharaman proposes to reduce anomalies in GST

[FM announces removal of 400 old exemptions, measures to reduce anomalies in GST](#)

The Economic Times, February 1, 2021

Centre slashes import duties on gold and silver

[Budget 2021: Government cuts imports tax on gold, silver to 7.5% from 12.5%](#)

The Times of India, February 1, 2021

'One Nation, One Ration Card' scheme to benefit 69 crore beneficiaries

[Budget 2021: 'One Nation, One Ration Card' scheme in 32 states, UTs](#)

The Economic Times, February 1, 2021

Centre announces tax exemption for aircraft leasing companies

[Budget 2021: Finance Minister proposes tax exemption for aircraft leasing companies](#)

The Economic Times, February 1, 2021

FM launches new scheme to strengthen nutritional content, delivery, outreach, and outcome

[Mission Poshan 2.0 launched in Budget to improve nutritional outcomes](#)

The Economic Times, February 1, 2021

Tax benefit on M&A withdrawn to arrest increase in transaction cost

[Tax benefit on mergers and acquisitions withdrawn](#)

The Economic Times, February 1, 2021

FM Sitharaman announces steps to support the agriculture and allied sectors

[Finance Minister proposes 9 measures for Agriculture and Allied Sectors, Farmers' Welfare and Rural India as part of inclusive development for aspirational India](#)

Press Information Bureau, February 1, 2021

Ministry of Road Transport and Highways receives highest ever outlay

[Union Budget 2021 | Highways Ministry gets ₹1,18,101 cr. Outlay](#)

The Hindu, February 1, 2021

Eighth census of Independent India to be the first digital census

[2021 census to go digital](#)

The Hindu BusinessLine, February 1, 2021

Budget 2021 has vision of self-reliance and features every section of the society, says PM Modi

[Self-reliance is at the heart of budget exercise, says PM Modi](#)

The Hindustan Times, February 2, 2021

Centre announces policy of strategic disinvestment

[Divestment push: 2 PSBs, 1 insurer added to the list](#)

The Indian Express, February 2, 2021

PPP model to monitor operational services of ports

[PPP model to boost efficiency of 12 ports](#)

The Times of India, February 2, 2021

Budget 2021 amendments in ADD and CVD aimed at making trade remedies more effective

[Budget temporarily revokes anti-dumping, countervailing duties on several steel items](#)

The Hindu BusinessLine, February 2, 2021

Finance Commission recommends 41% tax devolution to states for 2021-22 to 2025-26

[Finance Commission keeps tax devolution for states at 41% in FY22](#)

Business Standard, February 2, 2021

Centre gives nod to disinvestment of steel maker Rashtriya Ispat Nigam

[Cabinet clears privatisation of Rashtriya Ispat Nigam](#)

The Hindu BusinessLine, February 2, 2021

Budget has achieved a balanced demand stimulus to correct the output gap amid the pandemic

[View: Sharp increase in capital expenditure to provide major thrust to Aatmanirbhar Bharat](#)

The Economic Times, February 2, 2021

Fifteenth Finance Commission recommends Centre to reduce fiscal deficit to support increase in spending

[Budget 2021: 15th Finance Commission Recommends to target 4% fiscal deficit by FY26](#)

BloombergQuint, February 2, 2021

Proceeds from direct tax resolution scheme touch ₹ 95,000 crore

['Vivad se Vishwas' garners `95k crore](#)

The Financial Express, February 3, 2021

Ministry of Corporate Affairs revises definition of small companies

[MCA amends definition of small companies, allows NRIs to incorporate One Person Companies](#)

The Economic Times, February 3, 2021

RBI issues guidelines to strengthen quality and effectiveness of the internal audit system

[RBI unveils risk-based internal audit guidelines for select NBFCs, UCBs](#)

The Financial Express, February 3, 2021

Centre brings legislative changes to allow decriminalization of Limited Liability Partnership Act 2008

[Government to decriminalise 12 offences under LLP Act for ease of doing business](#)

Business Standard, February 3, 2021

Economists expect RBI to hold interest rates in response to FM's expansionary budget

[RBI in focus as India looks towards bigger borrowing: Decision Guide](#)

Business Standard, February 4, 2021

Monetary Policy Committee of RBI maintains an accommodative stance

[Monetary Policy: MPC maintains status quo on rates; CRR cut to be reversed](#)

BloombergQuint, February 5, 2021

Inflation returns to tolerance limit as RBI lowers the projection

[RBI lowers inflation projection to 5.20% for Q4 FY21, sees it around 5 per cent in H1 next fiscal](#)

The Financial Express, February 5, 2021

RBI extends deadline to meet last tranche of capital conservation buffer

[RBI extends deadline for meeting last tranche of capital conservation buffer by 6 months](#)

The Economic Times, February 5, 2021

Policy action needed to contain prices of petroleum products, says RBI Governor

[Shaktikanta Das urges policy action to keep petro products, industrial raw material prices under check](#)

The Economic Times, February 5, 2021



## ECONOMIC TRENDS

Indian economy to witness revival of animal spirits of private enterprises exhibiting V-shaped recovery

[Revival of animal spirits with 11% growth rate next fiscal year: CEA Subramanian](#)

The Financial Express, January 30, 2021

India to emerge as an important link in the global value chain sector amid disruption by the pandemic

[Economic Survey has set the stage for promoting local production, consumption](#)

The Indian Express, January 30, 2021

Rural demand to witness a decline due to falling prices of farm produce

[Rural demand seen ebbing in 2021-22, but urban consumption to rise: Report](#)

The Economic Times, January 31, 2021

Centre plans to ease the fiscal deficit in FY22

[FM pegs fiscal deficit at 9.5% for FY21, sees it easing to 6.8% in FY22](#)

The Economic Times, February 1, 2021

Budget proposals explained

[Union Budget 2021 explained in 15 charts](#)

The Economic Times, February 1, 2021

Manufacturing PMI increases to 57.7 in January 2021

[India's manufacturing sector activity strengthens in January: PMI](#)

The Financial Express, February 1, 2021

Increased spending and high market borrowings led to a significant widening of the fiscal deficit

[Budget 2021: We have spent, we have spent and we have spent, says FM](#)

Business Standard, February 2, 2021

New launches of automobiles sustain demand in January

[January auto sales maintain momentum](#)

The Hindu BusinessLine, February 2, 2021

UPI transactions register an uptick both in volume and value terms

[UPI January volume up 77% to 2.3 billion year-on-year, value doubles to Rs 4.3 trillion](#)

Business Standard, February 3, 2021

PMI in services registers an uptick in January 2021

[Services activity expanded in January as PMI rose to 52.8](#)

The Economic Times, February 3, 2021

Overseas borrowings of Indian corporates decline in the April-June quarter

[India Inc's external borrowing down 40% in first three quarters of FY21](#)

The Hindu BusinessLine, February 3, 2021

Indian economy poised to move in upward direction

[Economic growth will only move upwards: Shaktikanta Das](#)

The Economic Times, February 5, 2021

## TRADE AND INVESTMENT

India should focus on specialising in core competencies

[Rising Bangladesh exports hold lessons for India: Eco Survey](#)

The Economic Times, January 30, 2021

Piyush Goyal urges WTO members to “rise above the narrow interests and entrenched positions”

[Rise above narrow interests, support plan for uninterrupted flow of medicines, vaccines: India tells WTO](#)

The Economic Times, January 30, 2021

Centre may give one of the surrendered oil fields to Cairn Energy in lieu of \$1.4 billion dues

[Government may give oilfield to Cairn to clear \\$1.4 billion dues](#)

The Times of India, February 1, 2021

India's exports register an uptick in January, Y-o-Y

[Exports rise 5.4% in January; trade deficit narrows to \\$14.75 billion](#)

Business Standard, February 3, 2021

Reduction of import duty on copper scrap aimed at promoting recycling

[Reduction in import duty on copper scrap to promote recycling in country](#)

The Economic Times, February 3, 2021

Foreign Portfolio Investments register an uptick in FY21

[FPI inflow crosses \\$30 billion in FY21, highest investment in a FY since 2013](#)

Business Standard, February 3, 2021

Kakinada Deep Water port to handle rice exports to cool global shortage

[India lines up deepwater port for rice, exports to surge amid global shortage](#)

Livemint, February 4, 2021

Farm exports register a positive growth in 2020

[Farm exports defy overall trend in 2020, see 9.8 per cent growth](#)

The Indian Express, February 5, 2021

## INTERNATIONAL SCENE

India to exhibit a strong economic resurgence in the post-Covid world

[India to emerge as most resilient economy after Germany in 2021: PHDCCI](#)

The Financial Express, January 31, 2021

The MDM scheme should be re-activated along with opening of school: UN WFP

[Mid-day meals a lifeline for millions, should be re-activated: UN body](#)

Business Standard, January 31, 2021

IMF welcomes India's measures to improve fiscal transparency

[IMF welcomes India's focus on growth in Union Budget](#)

The Economic Times, February 4, 2021

World Bank maintains GDP estimate for India at a negative 9.6% in FY21

[GDP contraction: World Bank sticks to 9.6% estimate](#)

The Hindu BusinessLine, February 5, 2021



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