Weekly Economic Roundup

Coal Production Increases by 29% to 66.58 Million Ton during April, 2022

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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.

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'April: Overall biz confidence of India Inc. improves. Source: @IndianExpress|Twitter
Coal Production Increases by 29% to 66.58 Million Ton During April, 2022. Source: @PIB_India|Twitter

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POLICY AND REGULATORY FRAMEWORK

Centre releases the second monthly instalment of post devolution revenue deficit (PDRD) grant to states

Revenue deficit grant of ₹7,183 crore released to 14 states

The Financial Express, May 7, 2022

Government aims to develop at least one automobile scrapping facility within 150 kilometres from each city centre

Government aims to develop vehicle scrapping facilities within 150 kms from city centres

The Economic Times, May 7, 2022

Government to let venture capital (VC) and private equity (PE) funds take a higher share of profit, earn more fees and go for a faster drawdown of the money they receive from the state’s fund of funds

To boost startup financing, government offers incentives to VC, PE funds

The Economic Times, May 8, 2022

Enrollments to Pradhan Mantri Jeevan Jyoti Bima Yojana rise since seven years of inception

PMJJBY subscription increases to 128 million, PMSBY at 284 million in 7 years

Business Standard, May 9, 2022

Total outstanding dues of electricity distribution companies to power producers rise, Y-o-Y

Discoms’ outstanding dues to gencos rise 4% to ₹1.21 trillion in May

Business Standard, May 9, 2022

India initiates anti-dumping probe against imports of a certain type of optical fibre to protect domestic industry from cheap imports

India initiates anti-dumping probe against imports of optical fibre from China, Indonesia, Korea

The Financial Express, May 9, 2022

Rabi wheat procurement declines by half as market prices remain above the minimum support price (MSP) fixed by the government

Rabi wheat procurement down by half

The Financial Express, May 10, 2022
Government sets a target of ₹33,281 crores from coal and mineral mining for the current fiscal year FY23
**Centre bets on coal and mineral mining to lead asset monetisation in FY23**
Business Standard, May 10, 2022

NTPC invites bids to procure imported 4.53 million tonnes (MT) coal mainly for blending with the domestic dry fuel in thermal plants
**NTPC invites bids to import 4.53 million tonnes of coal for blending**
Business Standard, May 10, 2022

Inflation surged to an 18-month high in April due to rising fuel and food prices
**India's inflation likely accelerated to an 18-month high of 7.5% in April: Reuters poll**
The Economic Times, May 10, 2022

GST Council is considering a 28 per cent tax on cryptocurrencies, at par with the current GST on casinos, betting and lottery
**GST Council mulling 28% tax on Bitcoin, other cryptocurrencies**
The Economic Times, May 10, 2022

States are forced to pay more for their market borrowings due to increase in weighted average interest rate
**States’ borrowing cost soars to record 7.69%**
The Financial Express, May 10, 2022

Government to continue public investments, private sector needs to pitch in now
**Government has opened up avenues for private sector investment without bar: Sitharaman**
The Hindu, May 11, 2022

Centre contains its fiscal deficit at the revised estimate (RE) of 6.9% of the gross domestic product
**Centre reins in FY22 fiscal deficit at revised estimate of 6.9%**
The Economic Times, May 11, 2022

Government-appointed committee to finalise rates for export-boosting scheme
**Government-appointed panel to finalise RoDTEP rates for SEZs by mid-June**
Business Standard, May 11, 2022
Ministry of Ports, Shipping and Waterways revise guidelines for resolution of PPP projects that are abandoned midway

**Government revises payment, insolvency rules for stuck PPP port projects**
Business Standard, May 12, 2022

75 Indian villages will be shaped with Israeli cooperation further strengthening the ongoing bilateral partnership

**75 Indian villages to be shaped with Israeli cooperation: Agriculture minister Narendra Singh Tomar**
The Economic Times, May 12, 2022

A likely rise in interest rates to slow economic growth, warns Finance Secretary T V Somanathan

**India’s economic growth to slow if RBI hikes rates: Finance secretary**
The Economic Times, May 12, 2022

Capex-driven fiscal path to help economy weather inflationary headwinds

**GDP growth to be near 8%, despite inflation worries: Finance Ministry**
The Hindu, May 12, 2022

Depreciating rupee to lead to imported inflation despite being supportive of exports

**Economists warn of weaker rupee pushing up imported inflation**
The Economic Times, May 12, 2022

Domestic consumer goods industry resorts to shrinkflation to cope with higher input prices

**Shrinkflation hits India’s snacks as firms struggle with costs**
The Economic Times, May 13, 2022

Weekly Positivity Rate is 0.66%

**COVID-19 UPDATE**
PIB, May 14, 2022
ECONOMIC TRENDS

Unemployment rate in urban India declines for the second consecutive quarter
Urban unemployment rate dips to 8.7% in October-December quarter
The Economic Times, May 7, 2022

FICCI’s Business Confidence Survey reports an improvement in the Confidence Index at 67.6 in April 2022 round against 63.9 earlier
‘April: Overall biz confidence of India Inc. improves’
The Indian Express, May 9, 2022

Increased use of expensive imported coal in power generation is expected to elevate the cost of supply in the current fiscal year 2022-23
Higher coal imports may push power supply cost for discoms by 4.5- 5% in FY23: ICRA
The Economic Times, May 10, 2022

Total coal production increases in April 2022, Y-o-Y
Coal Production Increases by 29% to 66.58 Million Ton During April, 2022
PIB, May 10, 2022

Consumers raise concern over the rising cost of goods and services, is impacting ability to purchase goods
Rising cost of goods, services affecting purchasing decisions in India: EY report
The Economic Times, May 11, 2022

Morgan Stanley lowers India’s GDP growth forecast for FY23
Morgan Stanley: GDP growth to fall to 7.4%; 6% repo by December
The Indian Express, May 12, 2022

Labour force joining the job market register an increase, 88 lakh people join in the month of April
Job market bounces back in April as job-seekers rejoin labour force, CMIE data shows
The Financial Express, May 12, 2022

Factory output witnessed a growth of 1.9% in March 2022
Industrial production grows 1.9 per cent in March, 11.3 per cent in 2021-22
The Financial Express, May 12, 2022
Edible oil and fuel prices drive inflation
Retail inflation in India surges to 8-year high of 7.79% in April
The Economic Times, May 12, 2022
TRADE AND INVESTMENT

Government tightens disclosure norms for companies seeking investment from countries which share land borders with India
Disclosure norms on investments from neighbour nations tightened
Business Standard, May 7, 2022

UAE Minister of Economy Abdulla bin Touq Al Marri to lead a high-level business delegation to India this week to discuss ways to further promote trade and investments between the two countries
UAE Minister of Economy to lead high-level business delegation to India this week
The Financial Express, May 8, 2022

Foreign portfolio investments remain in the negative during May 2–6
FPIs withdraw ₹6,400 crores from equity markets in May so far
The Hindustan Times, May 8, 2022

Government permits additional export of raw sugar under the tariff-rate quota (TRQ) to the US for the fiscal year ending September 30, 2022
India allows additional 2,051 MT raw sugar exports to US under tariff-rate quota
The Financial Express, May 9, 2022

Confederation of British Industry (CBI) and the Confederation of Indian Industry (CII) create new taskforce to increase cross-industry collaboration and push forward the UK-India Free Trade Agreement
New UK India Industry Taskforce launched to facilitate free trade deal
The Economic Times, May 9, 2022

Rupee depreciation to soften the blow of elevated shipping costs and supply chain disruptions in the wake of the Russia-Ukraine crisis
Exporters of services, job-sensitive sectors may benefit from rupee slide
The Financial Express, May 10, 2022

Malaysia is considering cutting its export tax on palm oil to help meet global demand amid an edible oil shortage
Malaysia may cut palm oil export tax amid global supply crisis
The Economic Times, May 10, 2022
India’s outward foreign direct investment (OFDI) nearly halved in April on an annual basis

**Outward FDI nearly halves to USD 3.39 billion in April**
The Financial Express, May 10, 2022

All cotton textile and clothing products – yarn, fabrics, and madeups witness growth in exports

**Cotton textile exports in 2021-22 touch $15.29 billion**
The Hindu, May 11, 2022

FM Sitharaman asks industry to form joint ventures with firms in UAE firms and Australia following the signing of FTA

**Identify joint venture partner in your sector to scale up biz: FM Nirmala Sitharaman to industrialists**
The Economic Times, May 11, 2022

India exported a record 1.4 million tonnes of wheat in April, providing some relief to grain markets

**As Black Sea supplies fall, India sells record 1.4 million tonnes wheat in April**
Business Standard, May 11, 2022

India and Uzbekistan to initiate efforts to enhance connectivity to boost trade

**India, Uzbekistan agree to exploit full potential of Chabahar port for trade**
The Economic Times, May 11, 2022

FTA negotiations between India and the UK negotiations reach advanced stages

**India-UK FTA draft treaty advanced in majority of chapters**
The Economic Times, May 11, 2022

Oman to fast-track the approval process for the registration of Indian pharmaceutical products

**Oman to fast-track approval for Indian pharma products**
The Financial Express, May 12, 2022

India and Oman agree to a joint feasibility deal before considering a preferential trade deal on limited goods

**India, Oman agree to have joint feasibility study on limited trade deal**
Business Standard, May 12, 2022
Private sector players in Russia approach Indian suppliers to avoid scarcity in key goods due to international sanctions

**Russian importers seek deals with smaller Indian firms to avoid sanctions**
Business Standard, May 12, 2022

Foreign exchange reserves decline to $607.31 billion

**Forex reserves fall by $28.05 billion in September-March: RBI report**
The Hindu, May 12, 2022

Share of gold in India’s foreign exchange reserves rose to just over 7% at the end of March 2022, from 5.88% at the end of September 2021

**Share of gold in forex reserves rises to over 7%**
The Financial Express, May 13, 2022

Merchandise exports surge due to healthy performance by sectors like petroleum products, electronic goods and chemicals

**Exports rise 30.7% to $40.19 billion in April; trade deficit widens to $20.11 billion**
Business Standard, May 13, 2022

Comprehensive trade agreement between India and the UAE to increase the bilateral trade in goods to over USD 100 billion and trade in services to over USD 15 billion within five years

**India-UAE trade pact to create huge job opportunities, boost economy: Piyush Goyal**
The Economic Times, May 13, 2022

Imports of vegetable oils decline during April due to lower import of crude palm oil

**Vegetable oil imports fall 13% nearly 9.12 lakh tonnes in April: SEA**
The Economic Times, May 13, 2022

Share of Russian crude oil in India’s imports rise from 1% in 2021 to 5% during the first quarter of 2022

**Russian crude share rises to 5% in April imports**
The Economic Times, May 13, 2022

Wheat exports to be allowed on the basis of permission granted by the Government of India to other countries to meet their food security needs and based on the request of their governments

**India bans wheat exports with immediate effect**
The Financial Express, May 14, 2022
INTERNATIONAL SCENE

India is unlikely to retain lead in per capita income in each of the next six years beginning 2022-23
India’s FY22 per capita income projected higher than Bangladesh: IMF
Business Standard, May 11, 2022

Centre to send trade delegations for wheat exports amid rising global demand
Government to send trade delegations to Morocco, Tunisia, Indonesia, Philippines, Thailand, Vietnam, Turkey, Algeria and Lebanon for exploring possibilities of boosting wheat exports from India
PIB, May 12, 2022

India urges WTO to contain global inflation to sustain the growth post-pandemic and during a conflict situation
India wants WTO to play its role in containing global inflation
The Financial Express, May 12, 2022

UNDP signs MoU with Agriculture Ministry to provide technical support towards Centre’s aspirational Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme and Kisan Credit Card - Modified Interest Subvention Scheme
UNDP to provide technical support in PMFBY, Kisan Credit Card Scheme
The Economic Times, May 12, 2022

Prime Minister Shri Narendra Modi participates in the Second Global COVID Virtual Summit
Remarks by Prime Minister Shri Narendra Modi at the Opening Session of Second Global COVID Virtual Summit
MEA, May 12, 2022

EXIM bank to assist Sri Lanka as it battles economic crisis
Talks planned for India to restructure $1.3 billion credit line to Sri Lanka
The Financial Express, May 13, 2022