



Delhi Policy Group

Advancing India's Rise as a Leading Power



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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DPG Weekly Economic Roundup

Volume III, Issue 22

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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:

(Photograph)

PM Modi participating at the launch of the Indo-Pacific Economic Framework in Tokyo, Japan on May 23, 2022

Source: @PIB_India | Twitter

Employment of industrial workers surged from September 2021 to April 2022: CMIE. Source: @EconomicTimes | Twitter

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POLICY AND REGULATORY FRAMEWORK

Government waives customs duty on the import of some raw materials used by the steel industry, which will lower the cost for the domestic industry and reduce the prices

[Centre waives import duty on some raw materials for steel industry](#)

Business Standard, May 21, 2022

Government slashed central excise duty on petrol and diesel, a move expected to bring relief as household incomes continue to be hit by inflation

[Centre reduces excise duty on petrol by ₹8/liter, diesel by ₹6/liter](#)

Business Standard, May 21, 2022

India to forego ₹1 lakh crore as revenues due to a cut in petrol and diesel levies

[India mulls \\$13 billion extra borrowing to offset fuel-tax cut](#)

The Economic Times, May 22, 2022

Given the threshold level of the country's external debt, India can attract debt flows of another \$ 90 billion

[India has space to attract \\$90 billion debt flows: RBI](#)

The Indian Express, May 23, 2022

Centre to bear the entire burden of excise cuts on auto fuels

[Full burden of fuel duty cut on Centre: Finance Minister Nirmala Sitharaman](#)

The Financial Express, May 23, 2022

Government is likely to stick to its fiscal deficit target as specified in the budget as there is no need to increase government borrowing

[Government likely to stick to fiscal deficit target, says RBI Governor Das](#)

Business Standard, May 23, 2022

All logistics and connectivity infrastructure projects, entailing investment of over ₹500 crores, to route through the network planning group

[Infra projects of ₹500 crores and more to route through PM GatiShakti's NPG](#)

Business Standard, May 23, 2022

Finance Ministry notifies duty revision to increase local availability of iron ore and a few steel intermediates

[Export duty imposed on 11 iron, steel inputs](#)

Live mint, May 23, 2022

Rise in divisiveness and polarization in Indian society is damaging the foundations of the nation's growth despite strong fundamentals of the Indian economy

[Polarisation damaging foundations of India's growth: Kaushik Basu](#)

Business Standard, May 24, 2022

India is considering cutting an import levy on soybean and sunflower oils to cool surging local prices of food

[India considers tax cut on soybean and sunflower oil to cool prices: Report](#)

Business Standard, May 24, 2022

Centre allows duty-free import of sunflower and soyabean oil to cool inflation

[Government scraps import duties on sunflower, soyabean oil](#)

The Hindu, May 24, 2022

Government notifies capping of sugar exports to maintain the domestic availability and price stability

[Government notifies capping of sugar exports at 10 million tonnes](#)

The Hindu, May 25, 2022

Formal job creation surged in 2021-22 on the back of faster economic recovery post Covid

[New employment under EPFO sees 58.7% increase in FY22](#)

The Economic Times, May 25, 2022

Ministry of Power proposed a fresh scheme to facilitate the state-run electricity distribution entities (discoms) to pay up their dues to gencos, which stood at a staggering ₹1 trillion

[Power ministry moots new scheme to let discoms clear dues to gencos](#)

The Financial Express, May 26, 2022

Analysts anticipate restrictions on rice exports following those on wheat and sugar

[India's protectionist moves spark concern that rice may be next target](#)

Business Standard, May 26, 2022

[Ministry of Road Transport and Highways revises base premium rates for third-party insurance of vehicles for the first time since the onset of Covid-19](#)
[Government notifies new vehicle insurance rates, will be applicable from June 1](#)
Business Standard, May 26, 2022

Ministry of Electronics and Information Technology (MeitY) form an advisory board titled "Digital India Electronics Mission \$300 Billion"
[Government forms advisory board to achieve \\$300-billion electronics manufacturing target by 2026](#)
The Economic Times, May 26, 2022

Government makes registration compulsory to import paper products to protect the domestic paper industry
[Government brings import of paper under compulsory registration from Oct 1](#)
Business Standard, May 26, 2022

Government is preparing detailed guidelines and SoPs to strengthen the testing infrastructure for licensing medical devices
[India to prepare detailed guidelines, SoPs for testing medical devices](#)
Live mint, May 27, 2022

Ministry of Finance urges all ministers to carry forward unspent funds of the previous quarter to keep the momentum of government spending
[Government relaxes spending by ministers to boost public expenditure](#)
The Financial Express, May 27, 2022

India's growth to be affected unless supply-side bottlenecks are addressed, calibrating monetary policy is calibrated to bring down [inflation](#) and capital spending is boosted
[Structural reforms essential for sustained, balanced, inclusive growth: RBI](#)
The Indian Express, May 27, 2022

Cost-push pressures from high industrial raw material prices, transportation costs and global logistics, and supply chain bottlenecks continue to impinge on core inflation
[High WPI may put pressure on retail inflation, says RBI in annual report](#)
Business Standard, May 27, 2022

The size of the Reserve Bank's balance sheet increased during the 12 months ended March 31, 2022, reflecting its liquidity and foreign exchange operations
[Reserve Bank balance sheet grew by 8.46 per cent in FY22: Annual report](#)
Business Standard, May 27, 2022

Increase in expenditure by 280% results in surplus transferred to the government decreasing by 69% in the fiscal year ended March 2022
[Sharp rise in expenses, reverse repo hit RBI surplus in FY22](#)

The Economic Times, May 27, 2022

RBI to review Medium Term Debt Strategy to make government borrowings efficient at low over medium to long term with the right risk balance
[RBI to review medium term debt strategy for GoI](#)

The Economic Times, May 27, 2022

Ministry of Coal prepares a National Mission document to achieve 100 MT Coal Gasification by 2030

[Government of India has set a target to achieve 100 Million Tonnes Coal Gasification by 2030: Additional Secretary, Coal Ministry](#)

PIB, May 27, 2022

India's recovery rate is currently at 98.75%

[COVID-19 UPDATE](#)

PIB, May 28, 2022

ECONOMIC TRENDS

Economic growth may have slowed due to the impact of higher commodity prices, decline in wheat yields and on higher base

[Economic growth may have slowed to 3.5 per cent in Q4 FY22: Report](#)
The Economic Times, May 22, 2022

Indian government is considering spending an additional ₹2 lakh crore (\$26 billion) in the 2022/23 fiscal year to cushion consumers from rising prices and fight multi-year high inflation

[India considering spending additional \\$26 billion to fight inflation: Sources](#)
The Economic Times, May 22, 2022

Companies underestimate surge in pent-up demand as consumers face shortage of summer products

[Surge in pent-up demand: Consumer, F&B companies see summer supplies drying up](#)
The Economic Times, May 23, 2022

Cut in excise duties on petrol and diesel to help lower inflation

[Economists expect inflation to come down by 20-40 bps](#)
The Economic Times, May 23, 2022

Economic growth to become more volatile due to India's negative credit exposure to physical climate risks

[Prolonged high temperatures could worsen inflation, hurt growth: Moody's](#)
The Indian Express, May 23, 2022

Coal production increases during the first half of May, 2022, Y-o-Y

[Coal Production increases to 34 Million Ton \(MT\) during first half of May, 2022](#)
PIB, May 24, 2022

Work generation under the Mahatma Gandhi National Rural Employment Guarantee scheme declines due to dip in demand for rural employment

[Work generation under NREGS declines in April](#)
The Economic Times, May 24, 2022

[Employment of industrial workers surge due to increase in non-construction related industrial activities including manufacturing, mining and utilities](#)
[Employment of industrial workers surged from September 2021 to April 2022: CMIE](#)

The Economic Times, May 25, 2022

Indian economy likely to have grown due to higher commodity prices and disruptions caused by pandemic

[Economists put Q4 growth at 3.5-5.5% on rise in commodity prices, Omicron](#)

The Economic Times, May 25, 2022

State Bank of India's Chief Economic Advisor Soumya Kanti Ghosh expects real gross domestic product (GDP) to grow by around 2.7 per cent in the January-March quarter

[Q4 GDP growth may be less than 3%: SBI study flags 'forecaster's nightmare'](#)

Business Standard, May 26, 2022

GDP growth to decline in Q4 due to Omicron-related restrictions and higher inflation

[Q4FY22 GDP growth could fall to 4%, slowest in a year](#)

The Economic Times, May 27, 2022

TRADE AND INVESTMENT

Domestic tea exporters to increase their market share in the global tea market, as Sri Lankan orthodox tea production sees a major dip

[India capable of filling gap left by Sri Lankan tea](#)

The Financial Express, May 22, 2022

Government move to cut excise duty on petrol and diesel will help to reduce logistics cost, promote competitiveness of manufacturing and exports of value-added goods

[Excise duty cut to help reduce logistics cost; promote exports: Exporters](#)

The Economic Times, May 22, 2022

Head of the US-India Business Council (USIBC) has called for the creation of structures, regulations and the legal framework to ensure the continued vitality and growth of digital economy

[Digital economy is space for future growth and opportunity between India, US: USIBC President](#)

The Economic Times, May 23, 2022

FDI equity inflows contract marginally by 1 per cent during FY 2020-21

[FDI equity inflows fell marginally to \\$58.77 billion in FY22: DPIIT data](#)

The Hindu, May 24, 2022

India and the US sign an investment incentive agreement, to facilitate the US International Development Finance Corporation (DFC) to continue with its investments

[India, US sign pact to facilitate \\$4-billion investment](#)

The Financial Express, May 24, 2022

PM Modi proposes Japan Week to celebrate Japan's contribution to the country's development journey

[In bid to boost investment, PM Narendra Modi proposes 'Japan Week'](#)

Business Standard, May 24, 2022

Exports rise due to healthy growth in various sectors, such as petroleum products, engineering, and electronic goods

[Exports rises 21% to USD 23.7 billion during May 1-21](#)

The Economic Times, May 24, 2022

India's palm oil imports could fall to the lowest level in 11-years because of Indonesia's curbs on palm oil exports and New Delhi's move to allow duty-free imports of soyoil

[India's palm oil imports could fall to 11-year low](#)

The Economic Times, May 25, 2022

EU will formally launch negotiations for the proposed FTA agreement with India, says [European Union](#) Executive Vice-President and Trade Commissioner Valdis Dombrovskis

[Will formally launch free trade negotiations with India very soon: EU](#)

Business Standard, May 26, 2022

FTA between India and UK to be ready by Diwali without the need for an interim early harvest sign

[India-U.K. FTA could be ready by Diwali, says Piyush Goyal](#)

The Hindu, May 27, 2022

INTERNATIONAL SCENE

India may seek a permanent solution to the issue of public stockholding for food security during the 12th World Trade Organization (WTO) ministerial conference starting on 12 June in Geneva

[India may push for permanent food stock rules](#)

Live mint, May 23, 2022

Global market recovery has deteriorated in Q1 of 2022 due to multiple global crises including the lockdowns in China and the war on Ukraine leading to rising inequalities within and between countries

[Multiple crises hurt global labour market in Q1 of 2022: ILO](#)

The Economic Times, May 23, 2022

India looks forward to take part in the green hydrogen movement in cooperation with France

[India eyes cooperation with France on green hydrogen](#)

Live mint, May 23, 2022

India joins US-led Indo-Pacific Economic forum

[US unveils 13-nation economic pact to assert Asia leadership](#)

Live mint, May 23, 2022

PM Modi and President Joe Biden agree to continue their useful dialogue and pursue their shared vision of taking the India-US partnership to a higher level

[Prime Minister's meeting with President of the United States of America](#)

PIB, May 24, 2022

Prime Minister Shri Narendra Modi and H.E. Mr. Fumio Kishida, Prime Minister of Japan exchange views on enhancing bilateral relations in various spheres as well as on some regional and global issues

[Prime Minister's meeting with Prime Minister of Japan](#)

MEA, May 24, 2022

Union Minister for Commerce and Industry, Piyush Goyal calls for the joint support of the government and businesses to help boost India's services sector exports

[Time to focus on value-added exports: Piyush Goyal](#)

The Hindu, May 24, 2022

A total of \$ 4 billion in investments signed at the MoU ceremony held in the Maharashtra Pavilion at Davos

[World Economic Forum: Maharashtra inks investments worth ₹30,379 crores](#)

Live mint, May 24, 2022

India is against supporting a binding agreement at the next ministerial meeting of the WTO as it will restrict the country's ability to provide direct food support to neighbours such as Sri Lanka and Bangladesh

[India against UN's WFP pact](#)

Live mint, May 24, 2022

The World Economic Forum launched the India chapter of the Alliance of CEO Climate Action Leaders to supercharge India's climate action and decarbonisation efforts

[WEF forms alliance of Indian CEOs to speed up race to net-zero](#)

The Financial Express, May 24, 2022

Oxfam International Executive Director Gabriela Bucher called for the wealth tax on billionaires to benefit women pushed into poverty by the coronavirus pandemic

[WEF 2022: Oxfam calls for wealth tax to benefit women in informal sectors](#)

Business Standard, May 24, 2022

Indian industry should strengthen domestic supply chains by sourcing supplies locally

[Piyush Goyal bats for local supply chains at Davos](#)

The Hindu, May 24, 2022

The World Economic Forum launch the India chapter of the Alliance of CEO Climate Action Leaders to supercharge India's climate action and decarbonisation efforts

[WEF forms alliance of Indian CEOs to speed up race to net-zero](#)

The Financial Express, May 24, 2022

Sri Lankan Cabinet seek a 500 million dollar loan from the [Exim Bank](#) for the purchase of petroleum products amid a severe foreign exchange crisis

[Lanka seeks \\$500-million loan from India for fuel purchases amid forex crisis](#)

Business Standard, May 24, 2022

India reiterates support to strengthen multilateral trading system to ensure free and fair trade among member countries

[Piyush Goyal meets WTO chief, says India committed to strengthening multilateral trading system](#)

Live mint, May 25, 2022

Union Minister for Commerce and Industry Piyush Goyal urged Indian industry to step up local procurement to enable domestic supply chains turn more resilient

[Piyush Goyal asks India Inc. to raise local procurement](#)

Business Standard, May 25, 2022

Advanced economies will be back on track by 2024, but developing economies will be 5 per cent below where they would have been otherwise, says IMF's Gita Gopinath

[WEF 2022: Advanced economies to be back on track by 2024, says Gopinath](#)

Business Standard, May 25, 2022

Karnataka government led by Chief Minister Basavaraj Bommai inks MoUs with two major companies (ReNew Power and Lulu Group International) for a total investment flow of ₹52,000 crore

[WEF meet: "Very fruitful" for Karnataka, MoUs for ₹52,000 crores investments signed](#)

The Economic Times, May 25, 2022

Union Minister for Commerce and Industry Piyush Goyal leveraged the WEF platform to further help reinforce India's position as a crucial stakeholder in shaping the global narrative

[India projects itself as a reliable partner, stable economy and an attractive investment destination at World Economic Forum @Davos](#)

PIB, May 25, 2022

India to endorse a proposal at the World Trade Organization (WTO) on fishery subsidies to contain harmful subsidies to promote sustainable fishing

[India wants WTO fishery pact to offer equitable space for growth](#)

The Financial Express, May 26, 2022

India joins the First Movers Coalition, a global initiative aimed at decarbonising the heavy industry and long-distance transport sectors responsible for 30 per cent of global emissions

[India joins First Movers Coalition to decarbonise carbon-heavy sectors](#)

Business Standard, May 26, 2022

Learning losses on account of Covid is expected to impact India's economy going forward during this decade

[India's GDP to take a big hit due to pandemic-linked learning losses for students: ADB study](#)

The Hindu, May 27, 2022

War in Ukraine, energy and food crises, climate change and changing nature of globalisation were the key points of discussion as members at the World Economic Forum call to recreate a win-win situation

[WEF calls for recreating a win-win world as annual Davos meet ends](#)

Business Standard, May 27, 2022



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