Weekly Economic Roundup

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ABOUT US

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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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(Photograph)

PM addressing the I2U2 virtual Summit, in New Delhi on July 14, 2022
Source: PIB
Jewellery exports to UAE shine post comprehensive economic partnership agreement
Source: @EconomicTimes|Twitter

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POLICY AND REGULATORY FRAMEWORK

India is preparing a roadmap for the coming 25 years with “reforms by conviction” rather than “reforms by compulsion”

Preparing roadmap for 25 years with reforms by conviction, says PM
The Indian Express, July 9, 2022

Majority of street vendors are regularly repaying loans under PM SVANidhi scheme

88% street vendors regularly repaying PM SVANidhi loans
The Economic Times, July 9, 2022

Global factors should get more weight in assessing inflation risks

Need to recognise global factors in inflation and policy coordination, says RBI governor
The Economic Times, July 9, 2022

EPFO to consider and approve a proposal for setting up a central pension disbursal system

EPFO to soon disburse pension to over 7.3 million pensioners in one go
Business Standard, July 10, 2022

Fuel shortage in Sri Lanka turns opportunity as flights halt at Indian airports for aviation turbine fuel

ATF crisis in Sri Lanka turns opportunity for South India airports
Business Standard, July 10, 2022

State-owned miner Coal India reported a jump in capital expenditure to ₹3,034 crore during the April-June quarter

Coal India’s capex rises 65% in April-June
Live mint, July 11, 2022

RBI assesses inflation to ease gradually in the second half of 2022-23, as supply outlook appears favourable and several high frequency indicators point to resilience of the recovery in the first quarter the current fiscal

Supply outlook favourable, inflation may ease in FY23 second half: Das
The Indian Express, July 11, 2022
RBI urges banks to ensure additional arrangements for export and import transactions in Indian rupees due to increasing interest of global trading community in Indian currency

**RBI OKs international trade settlement in Indian rupees, to make INR more tradable globally**
The Financial Express, July 11, 2022

NHAI will get ₹4,200 crore as upfront payment from monetisation of two operational highway stretches with a combined length of 200 km

**NHAI to garner ₹4,200 crore from two TOT projects**
The Financial Express, July 12, 2022

As Finance Ministry releases funds towards food subsidy expenses, FCI defers its plan to raise ₹50,000 crore as short-term loan from banks this month to finance its operations

**FCI defers plan to raise ₹50,000 crore short term to finance its operations**
The Financial Express, July 12, 2022

Government tightens the criteria for use of district mineral funds to ensure their use for specific purposes

**Centre tightens norms for use of mineral funds**
The Financial Express, July 12, 2022

India’s exports to register a “reasonable level” of growth in the current financial year despite global uncertainties

**Exports likely to record reasonable level of growth in 2022-23: Goyal**
Business Standard, July 12, 2022

GST Council suggest no change in GST rate on online gaming, horse racing and casino

**GoM suggests no change in GST rate on online gaming, sticks to 28% recommendation**
The Economic Times, July 12, 2022

Government initiates efforts to promote locally produced agricultural products grown in North-eastern states to the international markets

**Government formulates strategy to promote NER as agri export hub**
PIB, July 12, 2022
Welfare measures announced by the government shielded people from inflation impact

**Government steps softened inflation blow for poor: FM Sitharaman**

The Financial Express, July 13, 2022

Centre gives nod to states to borrow in the first nine months of FY23 amid tightening of the regulations on states’ borrowings because of the large off-Budget loans by some of them

**States get nod to borrow ₹5.72 trillion in April-December**

The Financial Express, July 13, 2022

Sale of advertisement space on internet would be liable to 18 per cent Goods and Services Tax

**Sale of online space for advertisement to attract 18% GST, says AAR**

Business Standard, July 13, 2022

Government working on a policy on ‘Good Agriculture Practice’ to ensure having sustainable and good agricultural practices

**Policy on good agriculture practice soon**

The Economic Times, July 13, 2022

Judicious mix of both supply and demand-side interventions helped to “boost output and control inflation”

**Pragmatic policies helped avoid potential 18-20% inflation: Ex-CEA Krishnamurthy V Subramanian**

The Financial Express, July 14, 2022

India to be in a low growth, high inflation environment due to supply chain issues, commodity prices, and the Ukraine war

**Low growth and high inflation expected this year: N Chandrasekaran**

Business Standard, July 14, 2022

Government approves extension of RoSCTL for export of apparel, garments and made-ups with the same rates till March 31, 2024

**Centre extends RoSCTL scheme for export of garments, apparels**

The Economic Times, July 14, 2022

As crude oil and edibles remain major items of import, CAD is expected to deteriorate

**CAD expected to deteriorate in FY23 on costlier import: FinMin Report**

The Indian Express, July 14, 2022
Government announces integration of services provided by private entities with e-NAM to enable farmers use the online platform for buying and selling of produce

*e-NAM platform linked to private agri-services providers*

The Financial Express, July 15, 2022

Ministry of Finance seeks suggestions from the industry to make changes in monthly GST payment form

*Finance Ministry seeks industry views on changes in monthly GST payment form*

The Economic Times, July 15, 2022

Industrial corridors facilitate uniform economic development and greater industrial competitiveness

*Industrial corridors: Arteries of economic growth*

The Economic Times, July 15, 2022

India to eliminate urea import by 2025 through increased domestic production and enhanced use of nano urea

*India set to be self-sufficient in urea by 2025 with six new plants*

Business Standard, July 15, 2022

Weekly Positivity Rate is 4.40%

*COVID-19 UPDATE*

PIB, July 16, 2022
ECONOMIC TRENDS

E-way bills generated by businesses for inter-state commerce stood at 74.48 million in June 2022.

E-way bills for inter-state commerce up 36% on-year in June
The Financial Express, July 9, 2022

Sowing of paddy yet to keep pace due to less than average rains in the early part of the season
Bihar, Odisha, Chhattisgarh and Madhya Pradesh see lag in paddy acreage
Business Standard, July 10, 2022

CII expresses optimism at overall growth of Indian economy for the current financial year
Growth outlook for H1FY23 robust despite monetary policy tightening: CII poll
The Economic Times, July 11, 2022

Indian industry expects a year-on-year drop in profit margins for the April-June 2022 period
‘India Inc. staring at 3rd consecutive quarter of profit margins squeeze in Q1’
Business Standard, July 12, 2022

More than 50 out of 70 high-frequency indicators are in positive reflecting financial stability
Inflation likely to moderate, says RBI governor
The Economic Times, July 12, 2022

Various high frequency indicators exhibit a mixed trend reflecting an uneven economic recovery
Economic outlook for FY23 hinges on private consumption, investment demand: Report
The Economic Times, July 12, 2022

Retail inflation declines marginally to 7.56% in June from 7.84% in May 2022
June numbers: Food inflation moderates, still above headline print at 7.56%
The Financial Express, July 13, 2022

SBI Research Report expects inflation to be about 5% by March 2023 as the peak point has passed
Inflation in India to be about 5% by March 23, reveals SBI report
Business Standard, July 13, 2022
Nomura cuts economic growth forecast for FY23 to 4.7 per cent from its earlier projection of 5.4 per cent amid recession fears and rising interest rates

Nomura cuts 2023 India GDP forecast to 4.7% amid recession fears
Business Standard, July 13, 2022

Economists expect RBI to increase rates to ensure the economy does not slow down

Economists see waning urgency for the RBI to do large hikes
The Economic Times, July 13, 2022

Index of Industrial Production (IIP) registers a sharp growth in May at 19.6%, Y-o-Y

Industrial output grows 19.6% in May, as against 7.1% in April
Daiyhunt, July 13, 2022

WPI eases to 15.18% in June 2022 amid some softening in prices of global commodities including crude and edible oils

Wholesale Inflation eases from three-decade high in June
Live mint, July 14, 2022

Economy to grow at 7.1-7.6% despite rising commodity prices, surging inflation, supply shortages, and shifting geopolitical realities across the world

Indian economy projected to grow 7.1-7.6% in current fiscal: Report
Business Standard, July 14, 2022

Non-food credit grew by 13.8% in the fortnight ended July 1, Y-o-Y

Non-food credit sustains momentum; maintains double-digit growth
The Financial Express, July 15, 2022

As many as 13 states witness a higher rate of inflation than the national average of 7.01 per cent in June

22 states, UTs see rise in inflation, despite marginal reduction overall
Business Standard, July 15, 2022

A rise in prices of consumer items occur due increase in input cost and supply chain disruptions, impacting monthly household budgets

Spices to soaps: Prices of consumer items have spiked up to 32% in a year
Business Standard, July 15, 2022
Consumer sentiments remain sluggish as the Index of Consumer Expectations grew at a much slower pace of 13.2% in June.

*June consumer sentiment stays sluggish*
The Economic Times, July 15, 2022

Unemployment rate registers a decline since July 12.

*Employment rate increasing in July after fall in June: CMIE*
The Economic Times, July 15, 2022

Area sown for paddy is down by 17.4 per cent while acreage of pulses, coarse cereals and oilseeds are higher by 7-9 per cent.

*Paddy acreage down 17% so far in kharif season, says official data*
The Economic Times, July 15, 2022
TRADE AND INVESTMENT

India must become self-reliant and self-sufficient to reduce imports of edible oil

Huge edible oil imports compromise India's interest, imperative to become self-reliant

The Economic Times, July 11, 2022

Government decision to let importers pay with rupees and exporters be paid in rupees to make trade easier with Russia and South Asian neighbours, and help a long term goal to internationalise the currency, say experts

Rupee settlement to help India trade with Russia, Iran and others: Experts

Business Standard, July 12, 2022

Heavy rains delay exports of consignments including wheat, rice and flour from Kandla port

Rains delay exports of wheat, rice and flour from Kandla port

The Financial Express, July 13, 2022

India-Australia Economic Cooperation and Trade Agreement awaits ratification by Australian parliament before implementation

New Australian government supports trade pact with India: Piyush Goyal

The Economic Times, July 13, 2022

Automobile and consumer goods industries stock up raw materials amid fears of rising Covid cases in China and its impact on global supplies

Auto, consumer companies boost imports on supply fears

The Economic Times, July 13, 2022

Import of vegetable oils decline marginally by 0.44% to 991,650 tonnes in June 2022, Y-o-Y

Vegetable oils import down by bit in June 2022 over last year

The Economic Times, July 13, 2022

First rail transit cargo from Russia to India enters Iran marking the official launch of the eastern section of the North-South corridor

1st Russian rail transit cargo to India arrives in Iran

The Economic Times, July 13, 2022

Exporters apprehend a 30% drop in supplies to Sri Lanka due to uncertainties around payments amid the ongoing political and economic crisis

Exports to Sri Lanka may dip up to 30% in FY23

The Financial Express, July 14, 2022
Chinese exports to India register an increase to USD 67.08 billion, Y-o-Y
*India-China trade goes up to over USD 67 billion in first half of the year amid surge in Chinese exports*
The Economic Times, July 14, 2022

Trade deficit widens in June even as exports increased from 20.55% in May to 23.5% in June 2022
*Exports up 23.5% to $40 billion in June; trade deficit widens to record $26.2 billion*
Business Standard, July 14, 2022

India urges the Australian government to amend regulations pertaining to the Double Taxation Avoidance Agreement which taxes the offshore income of Indian firms providing technical support
*India seeks changes in pact on taxation with Australia*
The Financial Express, July 15, 2022

India’s imports from Russia surge due to increased purchases of oil, fertilisers and coal to tackle a growing domestic shortfall of the commodities
*Imports from Russia jump 272% in April-May to $5 billion*
The Financial Express, July 15, 2022

United Arab Emirates (UAE) will invest $2 billion to develop a series of integrated food parks, while the United States (US) will set up a hybrid renewable energy project in Dwarka, Gujarat, with an investment of $330 million
*UAE, US to invest $2.3 billion in India under the framework of I2U2*
Business Standard, July 15, 2022

Foreign exchange reserves decline in the week ended July 8 as foreign portfolio investors continue to withdraw investments from local equities
*Forex reserves fall to $580.3 billion*
The Economic Times, July 15, 2022

Gem and jewellery exports to UAE from India grew 10.09% to ₹9,802 crore in the June quarter, Y-o-Y
*Jewellery exports to UAE shine post comprehensive economic partnership agreement*
The Economic Times, July 15, 2022
India’s exports to UAE increase to $837.14 million during May-June 2022 from $720.31 million in the previous year.  
**India’s exports up 16.22 per cent during May-June to UAE after FTA implementation**  
The Economic Times, July 15, 2022

New project investments increase in June quarter led by private sector capital expenditure.  
**New project investments jump nearly 24 per cent to ₹3.64 lakh crore in June quarter: Report**  
The Economic Times, July 15, 2022

Congestion and shortage in fuel availability in Sri Lanka diverts traffic to ports in South India.  
**South India ports log surge in traffic as ships skip crisis-hit Sri Lanka**  
Business Standard, July 15, 2022
INTERNATIONAL SCENE

Commercial wheat imports from India to Yemen emerges as key supply line for Yemen amid the Russia-Ukraine war

Ukraine war: Commercial wheat imports from India key supply line for Yemen, says UN official
The Economic Times, July 12, 2022

India to submit updated targets to cut emissions to the United Nations in September 2022

India preparing to submit new climate targets to UN ahead of COP27 talks
Business Standard, July 13, 2022

FM Sitharaman urges members of G20 to consider the feasibility of an automatic exchange of information as a means to curb tax evasion

Auto info-exchange must cover crypto, FM Nirmala Sitharaman tells G20
The Financial Express, July 15, 2022

Growth prospects for India are embedded in public capital expenditure programmes and evidence based policy making which is vital for resilient economic systems

India’s growth prospects embedded in public capex programmes: Sitharaman
Business Standard, July 15, 2022

FM Sitharaman urges the WTO to let India export foodgrains from its public stockholding as a means to reduce hunger or food insecurity

Let India export foodgrains from public stock: FM Sitharaman at G20
Business Standard, July 15, 2022