Weekly Economic Roundup

$5,256 Million
14% increase

April-June 2021  April-June 2022

Volume III, Issue 30 | July 23, 2022
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.

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(Photograph)

Exports of agricultural and processed food products surpass agri export target of $5890 million for April-June 2022-23
Source: @transformIndia | Twitter

Jawaharlal Nehru Port becomes first 100% Landlord Major Port of India
Source: @PIB_India | Twitter

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POLICY AND REGULATORY FRAMEWORK

India’s cumulative COVID-19 vaccination drive surpasses the 200-Crore milestone

India achieves major landmark of ‘200 Crore’ COVID-19 Vaccinations
PIB, July 17, 2022

Customers to pay 5% GST on pre-packed, labelled food items and hospital rooms with rent above ₹5,000

GST from July 18 on pre-packed, labelled food items, hospital rooms above ₹5000
The Hindu, July 17, 2022

Government to propose amendments to the competition and insolvency laws to further strengthen the regulatory regime and address the needs of new age markets

Government likely to introduce bills to amend competition, insolvency laws
Business Standard, July 17, 2022

Tea plantations attempt to reinvent their business model in the digital era to efficiently reach out to customers

Tea producers reinvent business, adapt online blend for consumer connect
Business Standard, July 17, 2022

Corporate Affairs Ministry to rollout MCA21 Version 3.0 by August to make accessible company related information to stakeholders and public

Centre hastens rollout of MCA21 Version 3.0, first set of nine forms to be launched on Aug 31
The Business Line, July 17, 2022

RBI initiates coordinated monetary and fiscal policy responses to keep inflation expectations firmly anchored and re-align inflation with the target

Frontloading of policy action needed to tame inflation expectations: RBI bulletin
The Financial Express, July 18, 2022

Cryptocurrencies are by definition borderless and require international collaboration to prevent regulatory arbitrage, says FM Sitharaman at Lok Sabha

Cryptocurrency: RBI seeks ban, but India needs global support to regulate it, says FM Nirmala Sitharaman
Live mint, July 18, 2022
Indian rupee declined by about 25 per cent since December 31, 2014, and is nearing 80 against the dollar, informs FM Nirmala Sitharaman to the Lok Sabha

Rupee depreciates by 25% since December 2014
The Economic Times, July 18, 2022

Comprehensive steps taken by government and RBI to check NPAs helped to recover over ₹8,60,369 crore over the last eight financial years

‘Government, RBI measures help banks recover bad loans worth more than ₹8.6 lakh crore in last 8 fiscal years’
The Hindu, July 18, 2022

Government to set up a panel on MSP to make the system more effective and transparent

Panel set up to make MSP system more effective, transparent
The Economic Times, July 18, 2022

Pradhan Mantri Awas Yojana to be extended till March 2024 to complete all houses sanctioned under the scheme till March 31, 2022

Government mulls proposal seeking extension of PM housing scheme in urban areas by two years
The Economic Times, July 19, 2022

GST Council gives in-principal approval to formulate an optional scheme to levy tax on the margins made by tour operators

GST fitment panel gets nod to design a margin scheme for tour operators
The Financial Express, July 19, 2022

Finance Committee of the CBIC suggest raising EPF exposure in equities to 20% of fresh annual accretions from the present cap of 15%

EPFO may soon raise equity exposure to 20%
The Financial Express, July 19, 2022

Deloitte India appointed as a consultant by the UP government to bring the state’s economy to USD 1 trillion mark

UP government ropes in Deloitte to make state USD 1 trillion economy
The Economic Times, July 19, 2022

Sustained growth momentum in several High Frequency Indicators indicate that the economy is on course to achieve 8-8.5% in Q1 of FY 2022-23

Economy en-route to achieve 8-8.5% growth based on Q1 data: Finance Ministry
Live mint, July 19, 2022
States are paying higher for market borrowings, up 7bps from the previous week

**Cost of states borrowings up at 7.96 per cent**
The Economic Times, July 19, 2022

Government to closely monitor its spending to contain inflation and manage external account

**Government to keep a lid on spends to avoid fiscal slippage**
The Economic Times, July 20, 2022

Government cuts windfall tax on fuel exports and reduces the additional excise duty on domestic crude by 27% to ₹17,000 per barrel

**Government cuts windfall tax on petrol, diesel exports; excise on crude oil cut to ₹17,000 per tonne**
The Financial Express, July 20, 2022

Government steps up scrutiny of imports to identify irrational spikes in particular segments and tightens vigil to examine impact of global price movements on Indian economy through trade

**Government weighs import curb options: Tight vigil on irrational spike in any segment**
The Financial Express, July 20, 2022

Arvind Panagriya expresses optimism that Indian economy will grow at 7-8 per cent in the next couple of decades

**Indian economy to grow 7-8% in next couple of decades: Panagariya**
Business Standard, July 20, 2022

Former Niti Aayog Vice-Chairman Arvind Panagariya pitched for a two-rate Goods and Services Tax (GST) structure with a small exemption list

**Panagariya calls for 2-rate GST structure, pruning of exemption list**
Business Standard, July 20, 2022

Depreciation of Indian currency is lower than other major global currencies including the Euro, British pound and Japanese Yen caused by aggressive monetary tightening by the US Federal Reserve

**Rupee depreciation lower than other major currencies: CEA V Anantha Nageswaran**
The Economic Times, July 20, 2022
NITI Aayog suggest setting up digital banks to accept deposits and advance loans through digital means to push digital payments, banking and fintech innovations in underserved areas

**NITI Aayog moots licensing, regulatory framework for digital banks**
Business Standard, July 21, 2022

EPFO adds 0.96 million new subscribers in May, from 0.98 million in April 2022

**EPFO’s new subscriber addition falls 2% in May**
The Financial Express, July 21, 2022

Sebi proposes setting up a regulatory framework for online bond platforms that sell listed debt securities

**Sebi proposes regulatory framework for online bond platforms**
Business Standard, July 21, 2022

Nearly 1 crore beneficiaries avail the benefit of UDAN regional connectivity scheme since its inception in 2016

**Over 10 million air passengers availed benefit of UDAN scheme: Government**
Business Standard, July 21, 2022

RBI Governor assures that rupee is holding up well as compared to its advanced and emerging market peers

**Indian economy is relatively better placed amid grim global scenario: RBI Governor Shaktikanta Das**
The Indian Express, July 22, 2022

Karnataka retains its top position in the major states category of the India Innovation Index 2021

**Karnataka on top in Niti Aayog’s India Innovation Index 2021**
The Financial Express, July 22, 2022

Government launches three schemes to facilitate technology upgradation, setting up of common research centres and effluent treatment plants in clusters for the pharma MSMEs

**Government launches 3 schemes to strengthen MSMEs in pharmaceutical sector**
Business Standard, July 22, 2022

RBI Governor Shaktikanta Das urges the operation of Fintechs through proper licenses to avoid risk building and maintain financial stability

**Fintechs should operate under the licenses granted: RBI Governor Das**
The Economic Times, July 22, 2022
Government sets target for public procurement to be made through GeM

Government sets a target of 75% procurement by 15th August and 100% by the end of current financial year for procurement through GeM

PIB, July 22, 2022

Government approves financial assistance for 27 export infrastructure projects under the TIES during FY 2019-20 to 2022-23

206 Crore released to States for promotion of exports under TIES scheme

PIB, July 22, 2022

Weekly Positivity Rate is 4.46%

COVID-19 UPDATE

PIB, July 23, 2022
ECONOMIC TRENDS

Stabilisation of inflation pressures, revival of the monsoon and pick-up in manufacturing and services strengthen the conditions for a sustainable high growth trajectory in the medium-term despite global headwinds. 

Fall in inflation from peak is a relief, Indian economy makes strides in Q1 despite global headwinds, RBI paper says
The Economic Times, July 16, 2022

Kharif crops have been sown in 59.21 million hectare surpassing last year’s level for the first time in the current season
Kharif sowing picks up, exceeds year-ago level
The Financial Express, July 16, 2022

Funding in startups drops to USD 6 billion, Q-o-Q
Funding in startups drops by 17% to USD 6 billion in April-June: Nasscom
Business Standard, July 16, 2022

MSP instrumental in doubling average income of farmers between financial year 2017-18 and 2021-22
Farmers’ average income grew 1.3-1.7x between FY18 and FY22, says SBI study
Business Standard, July 17, 2022

Tighter financial conditions and a slowdown in international trade prompt analysts at Morgan Stanley to slash GDP forecast for FY 2022-23
Morgan Stanley trims India’s FY23 GDP forecast to 7.2%
Live mint, July 18, 2022

Work provided to households under MGNREGS increased from 26.1 million in May to 27.2 million in June, an increase of 4.2%
Jobs generated under MGNREGS stay high
The Economic Times, July 18, 2022

Indian economy likely grew at 14-15% in Q1 of current fiscal year, reveal a poll of economists
Q1 GDP growth seen at 14-15% on services’ revival
The Economic Times, July 18, 2022

Retail business witnesses’ steep growth in June compared to the pre-pandemic levels of the same month in 2019
Retail businesses witness 13 per cent sales growth in June: Report
The Financial Express, July 18, 2022
Index of mineral production of mining and quarrying sector for the month of May, 2022 was 10.9% higher, Y-o-Y

**Mineral Production goes up by 10.9% in May 2022**

PIB, July 18, 2022

Sale of packaged food products rise in rural areas led by better affordability due to high agricultural commodity prices last year and forecast of normal monsoons

**Packaged food item sales rising in rural areas**

The Financial Express, July 19, 2022

Production of tea during January-June 2022 touched 8.36 million kg from 7.88 million kg in the previous year

**Tea production in Nilgiris increases by 6.9% due to heavy rainfall**

Business Standard, July 19, 2022

Proportion of individuals working part-time in the age groups 46-59 years and 60+ register an increase between 2017-20

**NSO develops three labour indicators, says 15% of 60+ employed people worked part time in 2017-20**

The Economic Times, July 19, 2022

Bioeconomy is likely to touch $300 billion by 2030 with simultaneous potential to have multiplier effect on overall economic growth of the country

**India’s bioeconomy likely to touch $300 billion by 2030, says report**

Business Standard, July 20, 2022

Renting apartments to get costlier for companies due to levy of 18% GST

**Apartment to get costlier to rent for corporate executives**

The Economic Times, July 21, 2022

Industry body FICCI expects India’s economy to expand 7% in FY 2022-23, lower than RBI projection of 7.2% due to high inflation and dent in consumer demand

**FICCI survey: India’s FY23 growth forecast cut to 7%. RBI to stay hawkish**

The Economic Times, July 21, 2022

Retail inflation for farm workers and rural labourers increases due to high prices of certain food items

**Retail inflation for farm, rural workers rise to 6.43 per cent and 6.76 per cent in June**

The Economic Times, July 21, 2022
RBI Governor says, that while the inflation appears to have peaked, the situation remains volatile and is being constantly reviewed

Inflation appears to have peaked: RBI Governor Das
The Economic Times, July 22, 2022

Number of recognised startups in India increase between 2016 and 2022

Due to proactive government interventions, Startups have grown from 471 in 2016 to 72,993 in 2022

PIB, July 22, 2022
TRADE AND INVESTMENT

Share of remittances from the GCC region is estimated to have declined from more than 50 per cent in 2016-17 to about 30 per cent in 2020–21. Remittances from Gulf countries dropped sharply in FY21 due to Covid: RBI Business Standard, July 17, 2022

Exports of agricultural and processed food products increased to $5.98 billion during Q1 FY23 from $5.25 billion in the previous year. India’s agri, processed food exports up 14% in Q1 FY23 The Economic Times, July 17, 2022

Indonesia scraps export levy for palm oil products to boost exports and ease high inventories. Indonesia removes palm oil export levy until August 31 The Economic Times, July 17, 2022

Dollar inflows into NRI deposits were $422 million in April-May 2022, compared with $2.42 billion in the corresponding period of 2021. Flows into NRI deposits moderate in April-May The Financial Express, July 18, 2022

U.S. Treasury Secretary Janet Yellen described as "encouraging" talks with India about a proposed price cap on Russian oil. US talks with India on price cap on Russian oil 'encouraging': Yellen Business Standard, July 18, 2022

As bilateral trade turnover between India and Vietnam touched $13.2 billion in 2021, it sets an opportunity to enhance bilateral relationship in various sectors. Vietnam pushes trade & investments with India The Economic Times, July 18, 2022

Exports of oilmeals rise to 4,31,840 tonnes in June 2022 from 2,03,868 tonnes in June 2021 due to record shipment of rapeseed meal. Oilmeals export jumps over 2-fold to nearly 4.32 lakh tonnes in June The Economic Times, July 19, 2022

FDI in R&D sector registers an increase. FDI in research, development increases to USD 344 million in 2021: Commerce Ministry The Economic Times, July 19, 2022

Remittances from Indians residing in the US surged during the Covid months. US tops UAE in remittances to India: RBI paper The Economic Times, July 19, 2022
Rising demand for tea by Russia raises prices of both orthodox tea and good quality CTC tea
Russia steps up tea purchase from India, even pays a premium
The Economic Times, July 19, 2022

Jawaharlal Nehru Port is the first 100% Landlord port having all berths being operated on PPP model
Jawaharlal Nehru Port becomes first 100% Landlord Major Port of India
PIB, July 19, 2022

Shipments of passenger vehicles increased from 1,27,083 units in the April-June period of 2021-22 to 1,60,263 units in the same quarter of 2022-23
India's passenger vehicle exports jump 26% in Apr-Jun to 160,263 units
Business Standard, July 19, 2022

Minister of External Affairs, Dr. S. Jaishankar makes commitment to enhance capacity building & skill development among African youth and jointly collaborate on health, digital and green growth
Address by External Affairs Minister, Dr. S. Jaishankar at the 17th CII-EXIM Bank Conclave on India-Africa Growth Partnership
MEA, July 19, 2022

Union Minister Shri Piyush Goyal addresses the inaugural session of CII-EXIM Bank Conclave on India-Africa Growth Partnership
India plans to strengthen its partnership with Africa in the area of Solar Power, defence trade and military exchanges to fulfil aspirations of both the countries, physical & digital infra and healthcare & pharma: Shri Piyush Goyal
PIB, July 19, 2022

India plans to strengthen its partnership with Africa and enhance its role in various sectors
Building a resilient Africa: Enhanced Role of India
EXIM Bank, July 19, 2022

Exim Bank’s study titled “Building a Resilient Africa: Enhanced Role of India” finds bilateral export potential at $ 48 billion between India and Africa
African continental free trade area presents huge opportunities for India: Exim Bank
The Economic Times, July 19, 2022

CII sets target of $200 billion in trade with Africa for 2030
India-Africa economic engagement must expand to new sectors: CII report
CII Media Releases, July 20, 2022
Current account deficit to be around 3% of GDP in FY 23 as compared to 1.2% in FY 22 led by weak rupee and increasing fuel prices

Current account deficit: CAD seen at around 3% of GDP in FY23

The Financial Express, July 20, 2022

India’s trade deficit with China increases from $44 billion in FY21 to $72.9 billion in FY22

Spike in imports, fall in exports widen India’s trade deficit with China

Business Standard, July 20, 2022

Exports of manufacturing and electronic goods increased in the period 2017-18 to 2021-22

India’s electronic goods exports surge 42% to ₹1.17 lakh crore in the last fiscal: Government

The Economic Times, July 20, 2022

India has signed 13 Regional Trade Agreements (RTAs)/Free Trade Agreements (FTAs) with various countries/regions namely, Japan, South Korea, countries of ASEAN region and countries of SAARC region, Mauritius, UAE, Australia with merchandise exports to all these countries/regions registering a growth in last ten years

India has signed 13 Regional Trade Agreements (RTAs)/Free Trade Agreements (FTAs) with various countries/regions

PIB, July 20, 2022

Total quantity of wheat exported after imposition of ‘prohibition’ on export of wheat is 14.76 Lakh Metric Tonne from 14th May, 2022 till 14th July, 2022

India exported 14.76 LMT wheat after imposition of ‘regulation’ on export of wheat

PIB, July 20, 2022

Arvind Panagriya highlights the way forward for India when negotiating FTAs and their role in the global economy

Arvind Panagariya emphasises role of FTAs in trade liberalisation

The Economic Times, July 21, 2022

India to initiate talks with African nations to bolster bilateral commerce

India, Africa may soon start talks for trade pact

The Financial Express, July 21, 2022

EU proposes separate chapters on sustainable food systems, energy and raw materials in its FTA with India

European Union seeks green standards, sustainable food systems

The Economic Times, July 21, 2022
India to import coal to help plug a fossil fuel shortfall at its power plants in the current financial year

*India to import 76 million tonnes coal: will spark power tariff hike*

Live mint, July 22, 2022

India and UK to sign three memorandums of understanding in addition to the ongoing negotiations for a proposed free trade agreement

*India, UK to sign MoUs on market access, education and health*

The Financial Express, July 21, 2022

Export prices of rice increase as sowing of crop for the new season trailed in the previous year in key growing areas, while flash floods ravaged supplies of the grain in Bangladesh

*India’s rice export rates up as planting lags, floods ruin Bangladesh crop*

The Economic Times, July 21, 2022

India and UK sign pact for mutual recognition of educational degrees of students of bachelor, masters and doctoral courses

*India-UK ink agreement for mutual recognition of educational degrees*

Business Standard, July 21, 2022

India-UK FTA to be ready before the Diwali deadline

*India, UK to wrap up FTA discussions by August 31*

The Financial Express, July 22, 2022

Merchandise exports increase during January-June 2022, Y-o-Y

*India’s merchandise exports during January-June 2022 was USD 235.7 billion as compared to USD 185.9 billion during the same period of the previous year*

PIB, July 22, 2022

Foreign exchange reserves decline in the week ended July 15

*Foreign exchange reserves fall $7.541 billion to $572.712 billion*

The Economic Times, July 22, 2022
INTERNATIONAL SCENE

Hindalco signs an MoU with Phinergy and IOC Phinergy Private Limited to create aluminium-air batteries for electric vehicles
Indian, Israeli companies sign MoU to produce aluminium air batteries
Business Standard, July 20, 2022

ADB lowers growth forecast for India citing higher than anticipated inflation since April along with monetary policy tightening
Asian Development Bank pares India growth hopes to 7.2% for 2022-23
The Hindu, July 21, 2022

A partnership of 18 countries including India, the US and the EU unveil a four point roadmap to build collective, long-term resilient supply chains to counter risks arising from supply dependencies and vulnerabilities
India, 17 others unveil roadmap for long-term resilient supply chains
The Economic Times, July 22, 2022