Weekly Economic Roundup
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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(Photographs)

Service sector growth picked up in August leading to the quickest rise in employment for over 14 years
Source: @SPGlobalPMI|Twitter

India’s August fuel demand rises 16.3% y-o-y to 17.81 million tonnes
Source: @economictimes|Twitter

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Volume III, Issue 37

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POLICY AND REGULATORY FRAMEWORK

Government’s cash balances nearly halved in about a month to ₹2.3 lakh crore as it accelerates spending on infrastructure

Government’s cash balances halve in a month with rise in infra spending
The Economic Times, September 3, 2022

Prosecution to be launched on evidence of tax evasion above ₹5 crore

Norms for prosecution on GST evasion eased
The Financial Express, September 3, 2022

Refunds by the income tax department increase in April-August of the current financial year

I-T refunds rise 69% at Rs1.14 trillion in April-August
The Financial Express, September 4, 2022

Government is considering a slew of proposals to revamp the Pradhan Mantri Fasal Bima Yojana (PMFBY) from crop year 2023-24, following a sharp drop in claims to premium ratio, rise in premium rates pushing subsidy liability of the government

Revamped crop insurance scheme from 2023-24 season
The Financial Express, September 5, 2022

Public sector banks to open more bank branches to scale PM Modi’s financial inclusion drive by December 2022

Public sector banks to open 316 branches in financial inclusion drive
Business Standard, September 5, 2022

West Bengal and Uttar Pradesh support goods and services tax (GST) on online gaming, horse racing and casinos at a uniform rate of 28%

Bengal, UP back 28% GST on full value for online gaming
The Financial Express, September 6, 2022

FM Nirmala Sitharaman assures coordination by the government and RBI to extend necessary stimulus to maintain economic growth momentum

Will give necessary stimulus to economy, along with RBI: FM
The Financial Express, September 6, 2022

Department of Expenditure, Ministry of Finance released the 6th monthly instalment of Post Devolution Revenue Deficit (PDRD) Grant of ₹7,183.42 crores to 14 States

Revenue Deficit Grant of ₹7,183.42 crore released to 14 States
PIB, September 6, 2022
Government constitutes a 47-member committee to draft a new National Cooperation Policy document to promote cooperative-based economic development model

Government sets up 47-member panel to draft National Cooperation Policy document
The Economic Times, September 6, 2022

States borrowing cost eased to 7.53 per cent this week from 7.61 per cent last week

States' borrowing cost eases for third week in a row, dips to 7.52%
Business Standard, September 6, 2022

“India’s Open Network for Digital Commerce has revolutionised the retail and manufacturing sector” said FM Nirmala Sitharaman at a business conference in New Delhi

India’s digital revolution offers investment opportunities to US, says FM Nirmala Sitharaman
The Indian Express, September 7, 2022

Industry group for tech and telco giants urged the Central government to control internet shutdowns in the country to help avoid uncertainties stemming from states giving these orders

Tech firms, telcos in India urge central government to control internet shutdowns
Business Standard, September 7, 2022

Food Safety and Standards Authority of India suspended the licenses of 16 food business operators for not complying with the regulator’s latest norms of labelling and displaying the calorie count of dishes on their menus

FSSAI suspends 16 licences for non-compliance with calorie count order
Business Standard, September 7, 2022

Union Cabinet approved signing of a Memorandum of Understanding between the Ministry of Education, Government of India and the Ministry of Education of the Government of United Arab Emirates on cooperation in the field of Education to further strengthen ongoing educational collaboration between both countries

Cabinet approves signing of memorandum of Understanding between India and United Arab Emirates on cooperation in the field of Education
PIB, September 7, 2022
Union Cabinet granted ex-post approval for MoU between the Government of the Republic of India and the Government of the United Kingdom of Great Britain and Northern Ireland on mutual recognition of academic qualifications so as to promote academic collaboration and student mobility.

Cabinet approves the Memorandum of Understanding signed on mutual recognition of academic qualifications between India and the United Kingdom of Great Britain and Northern Ireland
PIB, September 7, 2022

Union Cabinet approves a new centrally sponsored scheme - PM SHRI Schools for development of more than 14500 schools across the country which will showcase all components of the National Education Policy 2020, and act as exemplar schools and also offer mentorship to other schools in their vicinity.

Cabinet approves a new centrally sponsored Scheme - PM SHRI Schools (PM Schools for Rising India)
PIB, September 7, 2022

India is in a much better position to deal with challenges as the economic environment is encouraging investments and growth.

India in much better position to deal with growth, inflation challenges: CII President Sanjiv Bajaj
The Economic Times, September 7, 2022

India's Open Network for Digital Commerce has revolutionised the retail and manufacturing sector and offered business opportunities to foreign companies, says FM Nirmala Sitharaman.

India's digital revolution offers investment opportunities to US: FM Sitharaman
Live mint, September 7, 2022

India becoming the fifth largest economy in the world is an achievement that gives confidence to work even harder and achieve bigger goals in this Amrit Kaal, said PM Modi.

PM Narendra Modi on India becoming 5th largest economy: 'Not an ordinary achievement'
The Indian Express, September 8, 2022

Pre-budget meetings chaired by the secretary (Expenditure) to commence on October 10, 2022.

Central government to begin Budget 2023-24 preparations from October 10
Business Standard, September 8, 2022
To effectively manage inflation, monetary and fiscal policies have to work in coordination, says FM Sitharaman

**Monetary Policy not the only tool to manage inflation: Sitharaman**

Business Standard, September 8, 2022

Centre urges banks to speed up the process of opening special rupee vostro accounts (SRVA) of correspondent banks of partner trading countries to promote cross-border trade in rupees instead of the US dollar

**Banks told to speed up rupee vostro accounts**

The Economic Times, September 8, 2022

Government imposes a 20 per cent export duty on select rice varieties due to inadequate rainfall in rice producing states, raising concerns of poor output

**Centre imposes 20% export duty on non-Basmati rice from September 9**

Business Standard, September 8, 2022

EPFO (likely to be called **Universal Pension Scheme**) may extend its pension scheme to workers from both organised and unorganised sectors and also fix the existing lacunas in the current Employees' Pension Scheme

**Universal Pension Scheme: New EPFO scheme may cover unorganised workers**

Business Standard, September 9, 2022

Pakistan Textile Exporters Association proposes trade with India due to losses suffered by cotton producers in Sindh and Punjab following devastating floods

**Pakistan trade body asks federal government to allow import of cotton from India**

The Economic Times, September 9, 2022

76 startups are shortlisted by MoHUA to work in the fields of water supply, used water management, water body rejuvenation and ground water management

**76 Start-Ups onboarded under ‘India Water Pitch-Pilot-Scale Start-Up Challenge’ by MoHUA**

PIB, September 9, 2022

FM Nirmala Sitharaman chairs meeting to discuss issues related to illegal loan apps outside the regular banking system

**India’s finance minister Nirmala Sitharaman outlines steps to ward off illegal loan apps**

The Economic Times, September 9, 2022
Dixon Technologies becomes the first producer of mobile phones to get approval for disbursement of incentives under the production-linked incentive scheme by the government

Government clears PLI incentive of ₹53 crore for Dixon, becomes first firm to receive sops under scheme
The Economic Times, September 9, 2022

Export policy of broken rice is amended from free to prohibited to increase domestic availability

After non-basmati, ban on broken rice exports
The Economic Times, September 9, 2022

Gross tax collections are at ₹6.48 lakh crore for FY 2022-23; 35.46% higher than the gross collections for the corresponding period of last year

Direct Tax Collections for F.Y. 2022-23 up to 08.09.2022
PIB, September 10, 2022

Weekly Positivity Rate is 1.80%

COVID-19 UPDATE
PIB, September 10, 2022
ECONOMIC TRENDS

The path taken by India since 2014 reveals the country is likely to get the tag of third largest economy by 2029, says SBI report

*India is likely to become third largest economy by 2029: SBI report*

Business Standard, September 3, 2022

Demand for work from individuals under MGNREGS fell to its lowest in 34 months to 19.2 million persons in August, signalling improvement in economic activity

*Demand for MG-NREGS works falls to 34-month low in August*

The Financial Express, September 3, 2022

Deficit in paddy sown regions has reduced to 5.6% against the same period last year because of revival of monsoon rains in parts of key growing regions of Uttar Pradesh, Bihar and West Bengal

*Paddy sowing deficit narrows to 5.6% from 12% in 3 weeks*

The Financial Express, September 3, 2022

NTPC produces 7.36 MMT of coal production, registering a robust growth of 62 per cent compared to 4.55 MMT, Y-o-Y

*NTPC registers 62% growth in coal production from its captive mines*

Business Standard, September 4, 2022

Services PMI index rose to 57.2 in August from four-month low of 55.5 in July

*India’s services activity rebounds in August, hiring at 14-year high*

Live mint, September 5, 2022

Indian Railways records best-ever August monthly freight loading; incremental loading in August was 8.69 mt, a growth of 7.86% over the same month in 2021

*India railways August freight loading up 7.86% at 119.32 mt*

Live mint, September 5, 2022

Wheat stocks held by FCI dipped to 25 million tonne (mt) at the beginning of this month, the lowest level since 2008

*FCI's wheat stocks plunge to 14-year low*

The Financial Express, September 6, 2022

Coal output rose to 58.33 million tonnes in August 2022 from the 53.88 million tonnes, Y-o-Y

*Coal production increases by 8.2% y-o-y in August to 58.33 million tonnes*

Business Standard, September 6, 2022
Nomura expects CAD to rise to 3.5% of GDP in the current fiscal year from 1.2% last year

Nomura raises India's CAD estimate on fears of slowdown in export
Business Standard, September 6, 2022

As consumers shift back to credit card spending from debit cards in the post-Covid period, it points to strong revival in consumption

RBI data hint at strong consumption revival
The Economic Times, September 6, 2022

RBI Governor Shaktikanta Das expects inflation to cool off from the second half and moderate further from the fourth quarter amid the MPC re-prioritising price stability as its foremost objective

Inflation to moderate in the second half of current year: RBI Governor Shaktikanta Das
The Economic Times, September 6, 2022

Urban unemployment rate dipped to 7.6 per cent during April-June quarter from 12.6 per cent, Y-o-Y indicating that the economy is coming out of the grip of Covid-induced slowdown

India's urban unemployment rate improves across genders, says NSO
Business Standard, September 7, 2022

Consumption of fuel rose in August, Y-o-Y

India's August fuel demand rises 16.3% y-o-y to 17.81 million tonnes
The Economic Times, September 7, 2022

Online sales during the festive month are expected to register a growth this year driven by accelerated digital adoption and increasing penetration in Tier 2+ cities

India's online festive sales to register 28% increase to hit $11.8 billion
Business Standard, September 8, 2022

Retail sales of automobiles grew in August this year on the back of increase in registrations of vehicles across all major segments

Automobile retail sales in India increase by 8.31% in August: FADA
Business Standard, September 8, 2022

Index of Consumer Sentiments (ICS) shrunk by 0.5% in August, after having risen by 6.7% in July

Consumer sentiments in India dip: CMIE
The Economic Times, September 8, 2022
Non-food credit growth continues to be above 15% for three consecutive fortnights due to revival across agriculture, industry, services and personal segments.

**Non-food bank credit grows 15.96% on low base**
The Financial Express, September 9, 2022

E-way bills generated by businesses for the movement of goods increases by 19% (78.21 million) in August, Y-o-Y.

**E-way bills at all-time high in August**
The Financial Express, September 9, 2022

Passenger vehicle dispatches witness annual growth in August due to improved supplies of semiconductors and festive demand.

**Passenger vehicle dispatches surge 21% in August on better chip supply, demand**
Business Standard, September 9, 2022
TRADE AND INVESTMENT

Exports contracted by 1.15 per cent to $33 billion and trade deficit more than doubled to 28.68 billion in August

Exports remain flat at $33 billion in August; trade deficit widens to $28.68 billion

Business Standard, September 3, 2022

FDI in 2021-22 stood at $58.8 billion; Singapore and US emerge as top contributors,

Singapore emerges as leading contributor to India’s foreign fund inflows,

China missing from the list

The Economic Times, September 4, 2022

India’s exports to China drop 35 per cent to $6.8 billion during April-August period amid a slowdown in its economic activity

Indian exports to China dip by a third in April-August to $6.8 billion

Business Standard, September 5, 2022

External debt grew by 8.2 per cent at US$ 620.7 billion at end-March 2022 from US$ 573.7 billion at end-March 2021, reveals 28th edition of the Status Report on India’s External Debt 2021-22

28th edition of Status Report on India’s External Debt 2021-22 released

PIB, September 5, 2022

India is pressing for preferential market access for drugs and pharmaceutical items in the Latin American and Caribbean Region (LAC)

India is seeking market access for drugs in South America

Live mint, September 6, 2022

Union Minister for Commerce and Industry Piyush Goyal interacted with eminent business professionals, CEOs, senior captains of industry, start up ecosystems, venture capitalists at the US India Strategic Partnership Forum (USISPF) in San Francisco and urged them to be a part of the Growth Story of India

India-US ‘Partnership of Trust’ rests on 3 pillars of Trade, Tech and Talent - Shri Piyush Goyal

PIB, September 6, 2022

List of MoUs exchanged and Projects announced with Bangladesh

List of Outcomes: Visit of Prime Minister of Bangladesh to India

MEA, September 6, 2022
India to initiate talks with Bangladesh for a proposed comprehensive economic partnership agreement to boost trade and economic ties

*India to start CEPA talks with Bangladesh: PM Narendra Modi*

The Financial Express, September 7, 2022

India is aspiring to take international trade to US$ 2 trillion by 2030 from $675 billion last year, said Union Minister for Commerce and Industry Piyush Goyal during his interaction with the faculty and students of the Standford Graduate School of Business in San Francisco

*India aspires to take international trade to $2 trillion by 2030: Goyal*

Live mint, September 7, 2022

Union Minister for Commerce and Industry Shri Piyush Goyal launched the US Startup SETU - Supporting Entrepreneurs in Transformation and Upskilling programme to connect start-ups in India to US-based investors and start-up ecosystem leaders

*Shri Piyush Goyal launches US Startup SETU - Supporting Entrepreneurs in Transformation and Upskilling programme in San Francisco*

PIB, September 7, 2022

Deutsche Bank expects forex reserves to decline further due to increase in current account deficit

*India's overall forex reserves to shrink further this year, Deutsche Bank says*

The Economic Times, September 7, 2022

India to seek a review of its free trade agreement with Japan to seek more market access for their respective domestic products and also resolve issues which are hindering trade

*India to seek review of trade pact with Japan, says Piyush Goyal*

The Economic Times, September 8, 2022

India will not enter into FTA with Israel until the pact is reciprocally beneficial

*No FTA with Israel until we get a good deal: Piyush Goyal*

The Financial Express, September 8, 2022

Minister of Commerce and Industry Piyush Goyal held bilateral meetings with his counterparts from partner countries including Australia and Japan and discussed about expanding and building resilient global supply chains

*Goyal holds bilateral meetings on sidelines of Indo-Pacific Economic Framework*

Live mint, September 9, 2022
Energy officials consider further coal imports, amid limited supplies which are well below required levels of more than 3 weeks
India considers further coal imports as concern over energy supply grows
Business Standard, September 9, 2022

India chooses to opt out of the Trade Policy Pillar dealing with issues pertaining to labour, environment, digital and agriculture
India stays out of Trade Policy Pillar at IPEF; broader consensus yet to emerge among nations
The Economic Times, September 10, 2022
INTERNATIONAL SCENE

External Affairs Minister of India (EAM) H.E. Dr. S. Jaishankar and Minister of Foreign Affairs, International Trade and Worship (FM) of Argentina H.E. Mr. Santiago Cafiero express their satisfaction at the continued healthy pace of growth in the bilateral trade, agreed to request the Central Banks to carry out studies for the development of a payment mechanism in local currencies and encourage their respective private sectors to further explore investments in each other’s country through providing an enabling business climate

Joint Press Statement following the Joint Commission Meeting between India and Argentina (August 26, 2022)

MEA, August 26, 2022

FM Nirmala Sitharaman emphasised the importance of timely conclusion of 16th General Review of Quotas in a way that addresses inequity and imbalances in the global economy

FM Sitharaman stresses on timely completion of IMF 16th quota review

Business Standard, September 7, 2022

Union Minister of Education and Skill Development and Entrepreneurship Shri Dharmendra Pradhan called for strengthening collaborations in academics, research and skill development at the US India Business Council

Shri Dharmendra Pradhan participates in the India Ideas Summit organised by US-India Business Council

PIB, September 8, 2022

Fourteen US companies including Amazon and Visa Inc. each pledge to provide at least 500,000 digital training and education opportunities for women and girls in the Indo-Pacific region

Amazon, Apple to provide digital training to women in Indo-Pacific

Business Standard, September 9, 2022