Weekly Economic Roundup

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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.

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Commercial 5G services will be rolled out in 13 cities in 2022: DoT- Source: @bsindia|Twitter
India’s textile and apparel exports outshine pre-Covid numbers- Source: @bsindia|Twitter

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Delhi Policy Group
Core 5A, 1st Floor,
India Habitat Centre,
Lodhi Road, New Delhi- 110003.
www.delhipolicygroup.org
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POLICY AND REGULATORY FRAMEWORK

PM Modi announces Covid-19 vaccine for children aged 15-18, precaution doses for frontline workers and senior citizens from January 3
PM Modi announces vaccine for children, precaution doses for frontline workers, senior citizens
The Hindustan Times, December 25, 2021

Every third informal worker is registered on e-Shram portal
Every 3rd informal worker registered on e-Shram, total enrolment cross 14 crore mark
The Financial Express, December 25, 2021

Government considering new measures to support SEZs recognising them to be drivers of future export growth
Budget FY23 to give SEZs a leg up
The Financial Express, December 26, 2021

Government to implement uniform GST at 12% on MMF yarn, fabric and apparel to address the inverted tax structure
Uniform GST on MMF, yarn, fabric from January 1: Government
The Economic Times, December 26, 2021

Domestic aluminium industry seek immediate government intervention through the forthcoming Budget 2022-23
Aluminium industry seeks cut in basic custom duty on critical raw materials
Business Standard, December 26, 2021

Government to consider reducing import duties on products such as steel, aluminium, copper and polymers to provide relief to small and medium businesses hit hard by rising input costs
Government may cut duty on steel, aluminium in Union budget
Live mint, December 27, 2021

Capital expenditure by large central public-sector entities increase to ₹3.1 lakh crore, Y-o-Y
At 20%, CPSEs’ capex pace strong, yet below target
The Indian Express, December 27, 2021
Ministry of Coal to draft a new set of key performance indicators for the next five years

Coal ministry readies host of reforms for the next five years

Business Standard, December 27, 2021

Government to dilute some clauses of draft e-commerce rules aimed at consumer protection

Government likely to dilute draft e-commerce norms as consultation ends

Business Standard, December 27, 2021

India imposes antidumping duties on products including certain aluminium goods and some chemicals, for five years to guard local manufacturers from cheap imports

India imposes antidumping duty on 5 Chinese goods for 5 years

Business Standard, December 27, 2021

AYUSH industry succeeds in establishing a million-dollar market in India and the world, with food supplements regularly gaining popularity

AYUSH industry established market of $18 million in world: Sarbananda Sonowal

Business Standard, December 27, 2021

Central government introduces BH-series for new vehicles

Government introduces Bharat series registration mark for new vehicles

Live mint, December 27, 2021

16 MoUs signed at pre-Vibrant Summit event; Taj Group to set up hotel near Statue of Unity

Gujarat inks 16 MoUs as part of Vibrant Gujarat summit

The Financial Express, December 28, 2021

Government to roll out 5G services in 13 cities including the metropolises

Commercial 5G services will be rolled out in 13 cities in 2022: DoT

Business Standard, December 28, 2021

Government gives nod to PLI scheme for textiles with approved outlay of ₹10,683 crores for five years

PLI scheme in textile: Government to accept applications from January 1

Live mint, December 28, 2021
Total liabilities register a Q-o-Q increase of 3.97 per cent in the July-September quarter. 

Centre’s total liabilities rose to ₹125.71 lakh crore in September quarter, official data shows

The Financial Express, December 28, 2021

Taxpayers may e-verify their ITRs for 2019-20 fiscal and complete the verification process by February 28, 2022.

I-T department relaxes time till Feb’2022 to complete verification of FY’20 ITRs

Business Standard, December 29, 2021

India to go slow in normalising monetary policy to ensure a durable recovery

India likely to break ranks with peers on unwinding easy monetary policy

The Economic Times, December 29, 2021

Consumer affairs ministry prohibits entities from promoting a pyramid scheme in the garb of doing direct-selling business.

Direct-selling companies can’t promote pyramid scheme, says government

Business Standard, December 29, 2021

Banks in need of capital to help meet the potential demand for credit and insulate themselves from ongoing stress among borrowers.

Banks need funds to deal with stress: RBI

The Hindustan Times, December 29, 2021

RBI urges banks to strengthen corporate governance and risk management practices to build resilience during pandemic times.

Banks need to strengthen corporate governance, says RBI report

Business Standard, December 29, 2021

RBI Governor calls for stronger supply-side measures amid the threat of third wave of Covid-19 pandemic.

RBI flags Omicron threat to growth; says banks strong enough to face challenges

The Hindu, December 29, 2021

GNPA of commercial banks to increase under severe stress scenario, says RBI.

‘Bank GNPA may rise to 9.5% by September’

The Hindu, December 29, 2021
PM Modi to release financial benefit in line with government’s commitment and resolve to empowering grassroots farmers

PM Modi to release 10th instalment of PM-KISAN fund on January 1
The Financial Express, December 29, 2021

Government sets up Project Development Cells to enhance the pipeline of investible projects and increase domestic investment

Project development cells in 29 departments to fast-track investment, says Commerce Ministry
The Financial Express, December 29, 2021

RBI warns of a rise in bad loans in 2022 and emerging signs of stress in micro, small and medium enterprises (MSMEs) and the microfinance segment

RBI red flags signs of stress in MSMEs, bad loans likely to rise
The Financial Express, December 30, 2021

RBI extends deadline to update KYC information till 31 March 2022 taking into account the prevailing uncertainty around new omicron variant

RBI extends deadline for KYC requirement in bank accounts by three months
The Financial Express, December 30, 2021

Atal Innovation Mission releases a compendium on the innovations featuring 70 start-ups supported by Atal Incubation Centres

Atal Innovation Mission releases compendium of innovations on agri, tech
Business Standard, December 30, 2021

Key government departments seek approval of additional funds for their production-linked incentive schemes to enhance domestic manufacturing

IT, pharma, electronics departments ask for top-up funds in PLI push
Business Standard, December 30, 2021

Finance Ministry extends benefit of reduced performance security to help commercial entities and contractors tide over the liquidity crunch

FinMin extends benefit of reduced performance security for government contracts till March 2023
The Financial Express, December 30, 2021

Review of path-breaking initiatives undertaken by the Ministry of Micro, Small and Medium enterprises during 2021

Year End Review- 2021 Ministry of Micro, Small & Medium Enterprises
PIB, December 30, 2021
Ensuring Digital access to all, Digital infrastructure and Digital identity are the various initiatives of the Ministry of Electronics and Information Technology during 2021

YEAR END REVIEW 2021: Ministry of Electronics and Information Technology (MeitY)
PIB, December 31, 2021

The year 2021 proved significant for Ministry of Road Transport and Highways with initiation of measures having significant impact on the life of citizens

YEAR END REVIEW 2021: Ministry of Road Transport and Highways
PIB, December 31, 2021

States urge for continuation of GST compensation, urge centre to raise share in centrally-sponsored schemes

In meet with FM, states push for GST compensation extension by 5 years
The Indian Express, December 31, 2021

FM Nirmala Sitharaman chairs 46th GST council meet ahead of the Union Budget 2022-23 on February 1
Nirmala Sitharaman chairs 46th GST council meet ahead of Union Budget 2022
The Hindustan Times, December 31, 2021

GST Council to defer hike in GST on textiles after several state demand that the rate hike be put on hold

GST Council defers hike in rates on textiles from 5% to 12%
Business Standard, December 31, 2021

Government approves issuance of 19th tranche of electoral bonds in the wake of impending assembly elections

Government opens sale of 19th tranche of electoral bonds from January 1
Live mint, December 31, 2021

Government notifies new rules for consumer protection; national body's jurisdiction is enhanced

Central government notifies new rules for enhancing consumer protection
Business Standard, December 31, 2021

EEPC urges government to include iron and steel products to make exports competitive

Budget 2022: Government urged to include iron and steel products in RoDTEP scheme
The Economic Times, December 31, 2021
Area sown under mustard seeds is higher while coverage under wheat crops remains lower in the ongoing 2021-22 rabi season

*Mustard seed sowing up 22%; wheat slightly down this rabi season: Agriculture Ministry*

The Economic Times, December 31, 2021

Government extends deadline for submitting applications for various export promotion schemes under Foreign Trade Policy

*DGFT extends deadline for exporters to submit applications for pending dues to Jan 31*

The Economic Times, December 31, 2021

145.16 crore vaccine doses are administered so far under Nationwide Vaccination Drive; recovery rate is 98.2%

*COVID-19 UPDATE*

PIB, December 31, 2021
ECONOMIC TRENDS

Economist Jayanth Varma expresses hope that the next fiscal year is expected to witness a decent growth. Capital investment to pick up in old economy; decent growth expected in FY23: Jayanth R Varma
The Economic Times, December 26, 2021

Indian companies raise more than ₹9 lakh crore in a buoyant stock market brimming with liquidity and helped by recovering macroeconomic indicators. Indian companies raise over ₹9-lakh crore through equity, debt issuances in 2021
The Hindustan Times, December 26, 2021

Kerala, Tamil Nadu and Telangana emerge as top three states in the Niti Aayog’s health index for 2019-20. UP last again in NITI Aayog Health Index 2019-20, Kerala tops ranking
Business Standard, December 27, 2021

Online used car sales to register growth amid the online used cars platform riding the digital wave. India online used car sales to reach 8.3 million units by 2026: Report
Business Standard, December 27, 2021

Companies project a positive outlook on business revenue as economy shows signs of recovery. Sunny days await job seekers as economic recovery hopes energise companies
Business Standard, December 27, 2021

Paddy procurement progresses smoothly, highest procurement reported in Punjab with 18,685,532 MT. 443.49 LMT of Paddy procured in KMS 2021-22 (up to 26.12.2021)
PIB, December 27, 2021

As the economy is on the path to revival, emergence of Omicron variant may unsettle recovery in the short term. Inflationary pressure likely to pinch consumer pocket less in 2022 on economic recovery, better production
The Economic Times, December 27, 2021
Indian economy is poised to register positive outlook next year

Economic activity in India is set to gather steam in the new year
Live mint, December 28, 2021

Agricultural sector to register robust growth rate of 3.5 per cent in FY 22

Record foodgrains production likely in 2022 despite pandemic blues
Business Standard, December 28, 2021

Real GDP to sustain 9% growth rate in FY22 and FY23 amid the uncertainty triggered by the Omicron variant of the Covid-19-causing virus

India’s GDP expected to grow at 9% in FY22, FY23: ICRA
The Hindustan Times, December 29, 2021

E-commerce hiring expected to surge as companies are expected to provide greater remuneration to employees

Hiring by e-commerce firms set to rise 32% in 2022: TeamLease report
Business Standard, December 29, 2021

Consumer sentiment is expected to dip and pose a challenge to India’s economic recovery

Consumer sentiment likely to witness fall in December: CMIE
The Economic Times, December 30, 2021

Indian equity markets register best performance in 2021

How did the Indian markets perform in 2021?
The Hindustan Times, December 30, 2021

Fiscal deficit for FY22 to be at 6.6% of the GDP, 20 basis points lower than the government budget

Fiscal deficit for FY22 may narrow on higher tax collection, says India Ratings
The Financial Express, December 31, 2021

Economy is expected to register positive growth in the second half of FY22 even as threat of Omicron variant looms

2021 – Looking Back: Economic recovery nascent, faces fresh challenges
The Financial Express, December 31, 2021

Registration of housing properties for the year 2021 are the highest in a decade reflecting a phase of stability

‘Registration of homes in Mumbai city declines 52% in Dec; up 70% for 2021’
Business Standard, December 31, 2021
Volume of digital transactions rise to 55.54 billion in FY21 from 10.85 billion in FY17

Digital transaction volume grew at 50% in four years, shows data

Business Standard, December 31, 2021

Combined Index of Eight Core Industries stood at 131.7 in November 2021, an increase by 3.1 per cent Y-o-Y

INDEX OF EIGHT CORE INDUSTRIES (BASE: 2011-12=100) FOR NOVEMBER, 2021

PIB, December 31, 2021

Indian banks’ bad loans to increase by September next year under severe stress, says RBI report

Banks’ NPAs may climb to 8.1% by September

The Hindustan Times, December 31, 2021

Fiscal deficit at the end of November came at 46.2% of the FY22 budget estimate on the back of robust revenues

Centre’s fiscal deficit touches 46.2% of annual target till Nov-end

Business Standard, December 31, 2021
TRADE AND INVESTMENT

Forex reserves decline for the third consecutive week ended December 17, 2021
India's forex reserves drop by $160 million to $635.66 billion
The Hindustan Times, December 25, 2021

Export of all commodities in the textile and apparel segment are valued at $263 billion during the April-November period in 2021-22
India's textile and apparel exports outshine pre-Covid numbers
Business Standard, December 27, 2021

Exports rise to USD 23.82 billion during December 1-21 this year
Exports rise 36% during Dec 1-21, says Union Commerce Ministry
The Financial Express, December 27, 2021

Trade volume between India and China hit a record high amidst repeated domestic boycotts of Made-in-China
Amid boycott, India-China trade volume at record high of $100 billion: Report
Business Standard, December 27, 2021

Bangladesh may become India's fourth largest export destination in FY22 as exports grow 81 per cent, Y-o-Y
Bangladesh may become India's fourth largest export destination in FY22
Business Standard, December 28, 2021

UAE lifts ban on import of poultry products as New Delhi assures to follow biosafety norms set by the World Organization for Animal Health
UAE ban on import of poultry from India lifted
The Economic Times, December 28, 2021

India's exports are expected to register healthy growth rate in the financial year 2022-23 as exporters are "flushed" with orders
Exporters across sectors are flushed with orders for next fiscal: FIEO
Business Standard, December 29, 2021

Consulting engineer's association urges the government to not route foreign currency transactions within the country through the American banking system to cut transaction fee cost
Allow foreign currency transactions in country via RBI, demands engineers body
The Economic Times, December 30, 2021
India and Australia are expected to complete negotiations for an interim FTA aimed at boosting economic ties

*India, Australia expected to complete talks for interim FTA soon*

The Economic Times, December 30, 2021

India provides list of Afghan contractors and truck drivers to the Pakistan government to transport consignment of 50,000 metric tonnes of wheat to Afghanistan as humanitarian assistance

*Pakistan, India inch closer towards deal on Afghan wheat transit: Report*

The Financial Express, December 31, 2021

Exports of agricultural and processed food products rise to USD 20,674 million during 2020-21, from USD 17,321 million in 2011-12

*India’s agricultural and processed food products exports have grown at a steady pace in the last decade notwithstanding challenges*

PIB, December 31, 2021

Foreign owned assets register an increase in September quarter

*Foreign-owned assets in India increased by $37.3 billion during September quarter: RBI*

Deccan Herald, December 31, 2021

Current account slips into a deficit of USD 9.6 billion in the September quarter

*India’s current account slips into deficit in Q2, CAD now at 1.3% of GDP*

The Economic Times, December 31, 2021

Wheat exports register an increase during April-October period, with Bangladesh emerging as the top destination

*India’s wheat exports rise to $872 million in April-October period*

Business Standard, December 31, 2021
INTERNATIONAL SCENE

India set to overtake France next year and then Britain in 2023 to regain its place as the world’s sixth biggest economy

World economy to top $100 trillion in 2022, India looks set to overtake France next year: report
The Hindu, December 26, 2021

AIIB chief economist Erik Berglöf discusses on sustaining global value chains
Sustainability will be the key driver for growth: AIIB’s Erik Berglöf
Business Standard, December 28, 2021