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.

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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.

Cover Photograph:
(Photograph)
99% of CEOs believe India eco growth will improve over next 12 months: Survey
Source: @economictimes|Twitter

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POLICY AND REGULATORY FRAMEWORK

Centre invites applications from domestic companies, start-ups and MSMEs to create a vibrant ecosystem for semiconductor chip design
Semi-conductor: Centre invites applications from domestic chip design firms
Live mint, January 16, 2022

Commerce and Industry Minister Piyush Goyal assures full government support to leaders of India's top IT companies to foster growth and achieve USD 1 trillion in services exports
Piyush Goyal assures full support to IT firms in pushing growth, exports to USD 1tn
The Financial Express, January 16, 2022

India risks stagflation with growth concentrated at the top-end
India's overall macroeconomic situation on recovery mode but facing stagflation: Kaushik Basu
The Financial Express, January 16, 2022

India is likely to earmark nearly $19 billion in the Union Budget 2022 to compensate fertilizer companies for selling their products to farmers at lower than market prices
Government plans $19 billion fertilizer subsidy in Union Budget FY23: Sources
The Economic Times, January 17, 2022

Medical Technology Association of India urges the government to reduce GST and customs duties on medical devices to enable expansion of the healthcare sector through reduced costs improving patient accessibility
Trade body seeks reduction in GST, customs duties on medical devices, cold chain units
The Financial Express, January 17, 2022

A national e-commerce policy is in the works to direct e-tailers to be ‘fair’ and ‘non-discriminatory
In the works: National e-commerce policy to script arm's-length rulebook
Business Standard, January 18, 2022

Textiles Ministry clears 20 projects in the areas of speciality fibres and geotextiles
Government clears 20 strategic projects under National Technical Textiles Mission
Business Standard, January 18, 2022
India is on track to achieve the $650-billion export target amid rising exports despite Omicron surge

**On track to achieve $650-billion exports target in FY22: Piyush Goyal**

Business Standard, January 18, 2022

PM Modi’s message to the world at WEF’s online Davos Agenda 2022 summit reflects his commitment to reforms and to become a reliable and resilient partner for global value chains

**Industry welcomes PM Narendra Modi’s emphasis on clean, green growth**

Business Standard, January 18, 2022

Nandan Nilekani projects a UPI like transformation in the digital commerce space

**‘Open network for retail will help kiranas join ecomm revolution’**

The Economic Times, January 18, 2022

Government drawing up plan to incentivise value addition in agriculture to facilitate increase in farmer income

**Sops in Budget 2022 for agri value addition on cards**

The Economic Times, January 18, 2022

Union Cabinet gives nod to financial outlay to create a renewable energy capacity of 3,500 to 4,000 MW

**Cabinet approves ₹1,500 crores in IREDA**

Live mint, January 19, 2022

Director-General of Civil Aviation extends the suspension on scheduled international passenger flights till 28 February 2022 amid the rise in Omicron covid cases

**India extends ban on scheduled international flights till February 28**

Live mint, January 19, 2022

Borrowing cost of State Development Loans register sharp rise by 10 basis points due to a steep rise in yields on government securities

**Borrowing cost for states rises on increase in G-Sec yield**

The Financial Express, January 19, 2022

Government approves sanction to SBI as reimbursement related to loan moratorium implemented in 2020

**Cabinet sanctions ₹973 crores to SBI for ex-gratia payment to borrowers**

The Economic Times, January 19, 2022
Sebi launches new mobile app to create awareness among investors and educate them
Sebi launches ‘Saa ₹thi’ mobile app for investor education
Live mint, January 19, 2022

Labour ministry reactivates 21 monitoring centres across India to mitigate the problems of migrant workers through coordination with various state governments
Labour ministry reactivates 21 monitoring centres to mitigate migrant workers’ problems
The Economic Times, January 19, 2022

Finance Ministry releases second advance instalment of tax devolution to states
Centre releases ₹95,082 crore to states as January Tax devolution
The Economic Times, January 19, 2022

Finance Ministry urges ministries and departments to restrict their expenses within the revised estimates as it releases guidelines for the third batch of supplementary demands for grants
Finance Ministry to Ministries: Curb spends within RE
The Indian Express, January 20, 2022

NIFientreC and Amazon India sign MoU to enable products by grassroots innovators reach customers
Government agency ties up with Amazon for products by grassroots innovators
Business Standard, January 20, 2022

Finance Minister authorises release of advance instalment of tax devolution in addition to the regular devolution for the month of January 2022
FinMin to release ₹47,541 crore advance instalment of tax devolution to states
The Financial Express, January 20, 2022

Finance Ministry provides one-time relaxation in spending guidelines for January-March quarter
Finance ministry relaxes norms to boost public spending
The Economic Times, January 20, 2022

Ministry of Finance relaxes spending norms in Q4 to boost economic activities
Finance Ministry eases expenditure norms to spur spending in last quarter
The Financial Express, January 21, 2022
Corporate tax collections set to increase after two years with revised estimates in the current fiscal year to be around ₹6.5 trillion
Corporate tax this fiscal likely to exceed Budget Estimates by 19%
Business Standard, January 21, 2022

RBI simplifies rules for factoring business
182 factoring companies for MSMEs now, up from seven earlier
Business Standard, January 21, 2022

RBI conducts a variable repo rate operation to infuse liquidity
RBI holds special repo auction as GST outflow tightens liquidity
Business Standard, January 21, 2022

Compliances are being simplified and digitalised to boost the startup ecosystem
Steps on to boost startup ecosystem, chief info security officer needed for single window: Piyush Goyal
The Economic Times, January 21, 2022

Union Minister for Commerce and Industry Piyush Goyal encourages creation of more startups, while releasing the NASSCOM Tech Start-up Report 2022
“Let us aim for atleast 75 unicorns in the 75 weeks to the 75th Anniversary of Independence”: Shri Piyush Goyal
PIB, January 21, 2022

Niti Aayog urges priority sector lending for EVs
Niti Aayog proposes to include EVs in RBI's priority-sector lending guidelines
The Economic Times, January 21, 2022

Union Minister for Commerce and Industry Piyush Goyal urges industry leaders to partner with stakeholders from government departments and help strengthen domestic industry
Shri Piyush Goyal calls upon the Indian Industry to inculcate a greater appetite for risk taking
PIB, January 21, 2022

More than 160 crore vaccine doses are administered so far under Nationwide Vaccination Drive
COVID-19 UPDATE
PIB, January 22, 2022
**ECONOMIC TRENDS**

Leasing of industrial and warehousing spaces across eight major cities increase, driven by higher demand from third-party logistics and e-commerce players

*Industrial, warehousing leasing up 35% in 2021; new supply rises 64%: Study*  
Business Standard, January 15, 2022

Nomura India Business Resumption Index (NIBRI) declines to 102.9 for the week ending 16 January due to disruptions caused by the third wave of the covid-19 pandemic

*Third wave undoes business resumption gains since the second wave: Nomura*  
Live mint, January 16, 2022

Majority of CEOs are optimistic that India’s economic growth will improve over the next twelve months

*99% of CEOs believe India eco growth will improve over next 12 months: Survey*  
The Economic Times, January 17, 2022

Omicron variant to have minimal impact on economic recovery

*Concerns over Omicron surge derailing recovery may be short-lived: RBI economists*  
The Economic Times, January 17, 2022

New emerging challenges necessitate a second green revolution along with next generation reforms

*India needs Green Revolution 2.0 to make agri more climate-resistant, sustainable: RBI*  
The Economic Times, January 17, 2022

Daily e-way bill generation under the goods and services tax declines reflecting a moderation in goods dispatches

*Daily e-way bill generation declines 5.4%*  
The Financial Express, January 18, 2022

Almost half of the small businesses witness a positive growth in businesses as economies began to reopen

*52% of Indian MSMEs saw a positive impact post pandemic: PayPal survey*  
Business Standard, January 19, 2022
Centre must focus on fiscal prudence as Omicron virus is expected to inflict limited economic damage

*Omicron poses limited downside to India, say economists in poll*

Business Standard, January 19, 2022

India's production of crude oil continue to decline, with lower output from state-owned ONGC leading to a near 2 per cent drop

*India's oil production continues to slip, ONGC output down 2% in December*

Business Standard, January 19, 2022

**Domestic airlines** register a growth of 33 per cent Y-o-Y; December witnesses the fastest growth of air travel since onset of pandemic

*11.2 million domestic air passengers in Dec: 6.6% higher than Nov; DGCA*

Business Standard, January 20, 2022

53 million people are unemployed as of December 2021 and a majority of them are women

*India has 53 million unemployed people as of December 2021: CMIE*

The Economic Times, January 20, 2022

Index of mineral production of mining and quarrying sector is at 111.9 in November 2021

*India’s mineral production up 5 per cent in November 2021*

The Financial Express, January 20, 2022

Retail inflation for farm and rural workers increases due to higher price of certain food items

*Retail inflation for farm, rural workers rise to 4.78 per cent, 5.03 per cent in December*

The Financial Express, January 20, 2022

Formal job creation registers an increase in November 2021, Y-o-Y

*Formal job creation in India jumped by 37.9% in November 2021: EPFO data*

The Economic Times, January 20, 2022

EPFO adds an additional 13.95 lakh net subscribers in November

*EPFO adds 1.3 million subscribers in November 2021, clocks 38% Y-o-Y rise*

Business Standard, January 21, 2022
India Ratings projects economic expansion aided by continued government spending and a favourable global trade outlook
India FY23 GDP growth seen 7.6%: India Ratings
The Economic Times, January 21, 2022

Smartphone market registers highest ever shipments in 2021, Y-o-Y
India smartphone market logs 169 million units shipment in 2021, highest till date: Counterpoint
The Economic Times, January 21, 2022

B2B spending expected to increase as businesses grow three times faster than expectations
B2B spending in India expected to grow 10.3% in 2022: Report
The Economic Times, January 21, 2022
TRADE AND INVESTMENT

India’s gold imports more than double during April-December this fiscal on account of higher demand

**Gold imports jump over 2-fold to USD 38 billion in Apr-Dec 2021**
The Financial Express, January 16, 2022

Passenger vehicle exports from India increase in the first nine months of the current fiscal year

**PV exports from India rise 46% in April-Dec; Maruti Suzuki leads segment**
Business Standard, January 16, 2022

Oilmeal exports decline with Indian products being uncompetitive in the global market

**Oilmeals export down 67 pc to 1.7 lakh tonne last month; 28 pc fall in April-December**
The Economic Times, January 17, 2022

Indian companies raise $6 billion selling offshore bonds during January 1-14 showing the confidence of international investors in India’s economy

**$6 billion in 2 weeks: India Inc. bonds a big hit overseas**
The Economic Times, January 17, 2022

Confederation of All India Traders urge government to ensure a robust policy framework protecting the needs of domestic players

**Traders body CAIT asks government for robust and unambiguous e-commerce policy**
Business Standard, January 18, 2022

Robust execution of government schemes to enable textile exports achieve $65 billion

**Indian textile exports can hit $65 billion if industry majors take the right steps: Report**
The Economic Times, January 19, 2022

Initiatives undertaken by the government to facilitate agricultural exports to cross $50 billion this fiscal

**Agri exports likely to cross $50 billion this fiscal: Commerce ministry**
Business Standard, January 20, 2022
India to push for waiver of certain provisions of IPR agreement for Covid-19 medicines and products at WTO
India to push for TRIPS waiver on Covid drugs at WTO
The Economic Times, January 20, 2022

Farm exports to touch record high led by sharp growth in shipments of rice and marine, meat and poultry items
Farm exports expected to touch record $50 billion
The Economic Times, January 21, 2022

India aiming at USD 500 billion export target as the COVID-19 pandemic taught the country to reimagine world trade
India aiming a target of $500 billion exports for FY23: DGFT official
Business Standard, January 21, 2022

Gems and jewellery exports grow on account of healthy demand in major countries
Gems, jewellery exports grow 5.76% to $29 billion in Apr-Dec 2021
Business Standard, January 21, 2022

Foreign exchange reserves register an increase for the week ended January 14
India's forex reserves up by $2,229 billion to $634.965 billion
Business Standard, January 21, 2022
INTERNATIONAL SCENE

Sri Lanka urges more Indian investments to facilitate further strengthening of the island nation’s economy

*Sri Lanka invites more Indian investments in ports, infra, energy and manufacturing sectors*  
The Financial Express, January 16, 2022

International Labour Organisation projects global employment to be 21 million more than 2019

*Global unemployment to reach 207 million in 2022: International Labour Organisation*  
The Economic Times, January 17, 2022

PM special address at the World Economic Forum’s Davos Agenda

*English translation of PM’s ‘State of the World’ address at World Economic Forum’s Davos Summit*  
PIB, January 17, 2022

Prime Minister Narendra Modi proposes a "pro-planet people" approach

*PM Modi proposes ‘P-3’ approach at WEF Davos Agenda 2022*  
Live mint, January 17, 2022

Prime Minister Narendra Modi calls for collective and synchronized global action regarding policymaking for blockchain-backed digital currencies

*PM Modi calls for global action on crypto at virtual Davos meet*  
Live mint, January 17, 2022

'Best time to invest in India': PM Modi at WEF's online Davos Agenda 2022 summit

*Davos dialogue: PM calls on global firms to invest, says more reforms on the anvil*  
The Financial Express, January 18, 2022

India offers loan to Sri Lanka to fund fuel purchases

*India offers $500-million fuel credit line to forex strapped Sri Lanka*  
Business Standard, January 18, 2022
Experts from India and Israel approve 3 joint R&D projects and suggest measures to create a broader India-Israel collaborative ecosystem

**Experts from India and Israel approved 3 joint R&D projects and suggested measures to create a broader India-Israel collaborative ecosystem**

*Experts from India and Israel suggested expanding scope of India-Israel Industrial R&D & Technological Innovation Fund (I4F)*

PIB, January 19, 2022

India & Denmark agreed to initiate joint research and development on green fuels including green hydrogen

**India & Denmark agreed to initiate joint research and development on green fuels including green hydrogen**

PIB, January 19, 2022

Global FDI register an increase in 2021 showing a strong rebound

**Global FDI up 77% in 2021: UNCTAD**

The Economic Times, January 19, 2022

Foreign Direct Investment flows to India decline in 2021 because M&A deals recorded in 2020 were not repeated

**FDI flows to India slip 26% in 2021: UN report**

The Indian Express, January 20, 2022

American lawmakers urge US President Biden to initiate a litigation process against India subsidising its farmers over half of the value of production for wheat

**US lawmakers seek litigation at WTO against India on wheat subsidy**

The Economic Times, January 20, 2022

PM Modi launches India-assisted projects with Mauritius PM Pravind Jugnauth

**Prime Minister Narendra Modi and Prime Minister of Mauritius Pravind Jugnauth jointly inaugurate and launch India assisted development projects in Mauritius**

MEA, January 20, 2022

MOUs signed between India and Mauritius

**List of MoUs/Agreements exchanged at the Joint inauguration and launch of development projects in Mauritius**

MEA, January 20, 2022