Weekly Economic Roundup

G20
भारत 2023 INDIA

One Earth • One Family • One Future

Another Incredible Feat
A Step Towards
GREEN RAILWAY

Indian Railways Logs Highest-ever Route Electrification Despite COVID, 37% Jump in One Year

- 6,015 Route Kilometer (RKM) electrification in FY 2020-21 surpassing the previous highest of 5,276 RKM in 2018-19
- Out of the Broad Gauge network of 64,689 RKM, 45,381 RKM (71%) have been electrified by March 31, 2021
- 34% of total rail electrification completed in last three years
- Record 24,089 RKM (37% of Broad Gauge routes) electrified since 2014 against 4,337 RKM (7% of Broad Gauge routes) during 2007-14

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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.

Cover Photograph:

(Photographs)
PM Modi unveils logo of India’s G20 Presidency- Source: PIB_India|Twitter
Indian Railways is marching towards Mission 100% Electrification by 2023- Source: @ RailMinIndia|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

Commerce Ministry to revert to the earlier system of releasing only the “quick estimate” of monthly trade

Government reverts to releasing trade data only once a month
The Financial Express, November 5, 2022

Government launches scheme to extend financial assistance to cover development expenses of projects made through PPP

Government launches scheme to support PPP projects
The Financial Express, November 6, 2022

Currency with the public registers an increase as of October 21, suggesting that cash usage is still robust

Demonetisation: Big jump in cash with public at ₹30.88 trillion in 6 years
Business Standard, November 6, 2022

State governments slow down capital expenditure in the first six months of current fiscal to accommodate higher revenue spending

States’ capex growth flat in H1, despite buoyant tax revenue
The Financial Express, November 7, 2022

India will need additional investment of around USD 300 billion to complete the 500-gigawatt renewable energy capacity target by 2030

India needs $300 billion more to meet 2030 renewable capacity goals: Report
Business Standard, November 7, 2022

Central Government direct sugar mills across the country to export speedily to make an early payment to farmers

Government asks sugar mills to export speedily to make early payment to farmers
Business Standard, November 7, 2022

Ministry of Finance releases eighth monthly instalment of the Post Devolution Revenue Deficit to states

Finance Ministry releases Revenue Deficit Grant of ₹7,183.42 crore to 14 states
The Economic Times, November 7, 2022
Amid a slowdown in outbound shipments from India, Union Minister for Commerce and Industry Piyush Goyal urged exporters to make temporary changes in their pricing structure to retain the export market

**Piyush Goyal asks exporters make price adjustments to retain market share**

Business Standard, November 7, 2022

Government sanctions houses to more than 3 crore underprivileged people under ‘Jahan Jhuggi, Wahan Makan’ scheme

**Free flats approved for 30 million underprivileged citizens: Hardeep Puri**

Business Standard, November 7, 2022

Financing of trade deficit is an important challenge for this financial year as India imports commodities such as crude oil including consumption goods

**Financing trade deficit main challenge: CEA V Anantha Nageswaran**

The Financial Express, November 8, 2022

Inflation is expected to put some pressure on the profit growth of pharma businesses, resulting in reduced investment activities that may impact digital transformation initiatives

**Inflation, rising costs to slow down digital transformation: Report**

Business Standard, November 8, 2022

Government to not impose anti-dumping duty on Chinese metal cutter wheels as the Finance Ministry has not accepted the recommendations of the Directorate General of Trade Remedies (DGTR) for imposing the levy

**Government not to impose anti-dumping duty on Chinese metal cutter wheels**

The Economic Times, November 8, 2022

Ahead of assembly elections, government approves issuance of electoral bonds for sale as an alternative to cash donations made to political parties to bring transparency in political funding

**Government clears 23rd tranche of electoral bonds; sale from November 9**

The Economic Times, November 8, 2022

GST wing of Central Board of Indirect Taxes and Customs initiates a process of issuing a show cause notice to entities for alleged evasion or under-payment of taxes

**GST department steps up anti-evasion drive**

The Financial Express, November 9, 2022
Finance Ministry finalizes framework to issue sovereign green bonds to mobilize resources for green infrastructure
Finance Ministry finalises framework for sovereign green bonds
The Economic Times, November 9, 2022

Government gives nod for exports of broken rice consignments held up at container freight stations since their decision on export ban issued in September
Rice export, coal import norms clarified
The Economic Times, November 9, 2022

To meet fiscal deficit target, spending by the Centre may be less than that budgeted for the first time in three years
Centre could cut spending for first time in 3 years: Report
The Hindustan Times, November 9, 2022

Agriculture Ministry designates National Dairy Development Board (NDDB) as the implementing agency for setting up of 100 fodder-centric Farmer Producer Organisations to address fodder deficit situation in the country
Agriculture Ministry okays setting up 100 fodder-centric FPOs in 2022-23
Business Standard, November 9, 2022

Government allows trade settlement in Indian currency with Russia, Iran, Bangladesh and Sri Lanka to facilitate and ease international trade
Centre allows International Trade Settlements in Indian Rupees for Export Promotion Schemes under the Foreign Trade Policy
PIB, November 9, 2022

Government is monitoring the supply of coal to thermal plants; domestic coal supply to the power sector in October is 12 per cent more, Y-o-Y
Thermal plants have adequate coal stocks at 25.6 million tonnes, says government
Business Standard, November 9, 2022

Indian Railways accomplishes electrification of 82% of the total broad gauge network
Railways marching towards Mission 100% Electrification
PIB, November 10, 2022
Centre released two instalments of tax devolution to states worth ₹1.16 lakh crore to push developmental and capital expenditure by states

Two tax devolution instalments worth ₹1.16 lakh crore cleared
The Economic Times, November 10, 2022

Rise in prices of wheat to prompt price-cooling measures such as the release of state reserves into the open market while also doing away with the 40% tax on imports

Soaring wheat prices in India likely to prompt price-cooling measures:
Government
Business Standard, November 10, 2022

Government formulates plan for branding and publicity of domestic millets

Government ropes in Indian missions, Carrefour, Walmart to promote millet exports
Business Standard, November 10, 2022

Crisil projects indebtedness of states to likely remain elevated at 30-31% in FY2023 as measured by debt to gross state domestic product

States’ indebtedness to remain elevated in FY23: Crisil
The Indian Express, November 11, 2022

Centre released extra instalment of tax devolution to state governments amounting to ₹58,333 crore for November to arrest slowdown in capital expenditure

Centre releases extra tax devolution to states
The Financial Express, November 11, 2022

All 12 Public Sector Banks register a net profit of ₹25,685 crore in Q2FY23

Public sector banks turnaround, register profits
The Hindustan Times, November 11, 2022

Direct tax collections are 30.69% higher at ₹10.54 lakh crore up to 10th November, 2022 Y-o-Y

Direct Tax Collections for F.Y. 2022-23 up to 10.11.2022
PIB, November 11, 2022

Mining Industry Federation seek higher import taxes on metals such as zinc, copper and aluminium to prevent cheaper imports especially from China

Indian miners seek higher import tax on aluminium, zinc, copper products
The Economic Times, November 11, 2022
ECONOMIC TRENDS

State Bank of India (SBI) reported a 74 per cent jump in its standalone profit after tax at ₹13,265 crore in the quarter ended September 2022, Y-o-Y

Credit growth of 14-16% expected in FY23: SBI chief
The Indian Express, November 6, 2022

Dispatch of coal to the power sector registered 5.5 per cent decline at 56.49 million tonne last month

Coal dispatch to power sector drops 6% to 56.49 million tonnes in October
Business Standard, November 6, 2022

Sales of vehicles register a 48% rise in October, Y-o-Y

Auto sales up 48% in October; all vehicle segments gain in festive season: FADA
Business Standard, November 6, 2022

According to findings of the FICCI Quarterly Survey on Manufacturing, that sector is expected to continue to grow for the next six to nine months

Manufacturing sector growth to continue till next 6-9 months: FICCI survey
The Economic Times, November 7, 2022

Coal India reports a net profit of ₹6,043.55 crore for the second quarter, Y-o-Y

Coal India Q2 profit soars 106% to ₹6,044 crores; Company approves dividend of ₹15
Live mint, November 7, 2022

Consumption of fuel rose 3.4% year-on-year in October to 18.37 million tonnes

October fuel demand rises 3.4% year-on-year to 18.37 million tonnes
Business Standard, November 7, 2022

According to Morgan Stanley, India is set to become the world’s third-largest economy and stock market by the end of this decade with the GDP likely to cross US$ 7.5 trillion by 2031

‘India to become third largest economy, stock market by 2030’
The Indian Express, November 8, 2022

Rural consumption record a decline of -3.6 per cent in July-September quarter due to inflation and uneven rainfall across the country

Rural consumption continues to drop in July-September quarter: NielsenIQ
Business Standard, November 10, 2022
India saved USD 4.2 billion in fuel costs through solar generation in the first half of 2022 and 19.4 million tonnes of coal that would have further stressed an already strained domestic supply

Indiapaved $4 billion in fuel costs via solar power in first 6 months: Report
Business Standard, November 10, 2022

The monthly Primary Consumer Sentiment Index dipped among urban consumers due to the rising inflation and cost of living

Consumer confidence dips in urban India in November
Live mint, November 11, 2022

Procurement of paddy rises to 231 LMT up to November 10, Y-o-Y

Paddy procurement crosses 231 LMT mark benefiting over 13.50 lakh farmers with MSP value of about ₹47644 crores
PIB, November 11, 2022

Farmers planted wheat on 4.5 million hectares since October 1, up 9.7% from a year earlier

India’s wheat planting gathers momentum, acreage up nearly 10%
The Economic Times, November 11, 2022

Industrial growth, measured by the Index of Industrial Production, recorded a growth of 3.1 per cent in September, as against a contraction of 0.8 per cent in August

India’s industrial production registers 3.1 per cent growth in September
The Economic Times, November 11, 2022
TRADE AND INVESTMENT

Rise in forex reserves was likely fuelled by the softer dollar and changes in the central bank’s forward book
India’s forex reserves jump likely fuelled by revaluation, forward book changes
The Economic Times, November 7, 2022

Sugar manufacturers urge the government to allow export of 9 million tonne of sweetener for the current season taking into consideration the expected total stocks
Sugar mills seek 3 MT more in export quota
The Financial Express, November 8, 2022

Exporters highlight fresh payment issues with Russia and the need for alternative payment mechanism for dispatches to Myanmar at a review meeting with Union Minister for Commerce and Industry Piyush Goyal
Exporters flag fresh payment issues for supplies to Russia
The Financial Express, November 8, 2022

India’s tea exports to Russia were 5% higher in the first eight months of 2022, Y-o-Y
Russia buys more from India as Kenya tea turns costlier
The Economic Times, November 8, 2022

India emerged as a strong trade partner of Russia due to rising oil, gas and coal prices
India now strong trade partner of Russia, expected to remain so in 2023: S&P Global Market Intelligence
The Economic Times, November 8, 2022

Government formulates a strategy to boost exports of nutri-cereals-millets and value added products to major markets such as USA, UK, Belgium, Netherlands, Japan, UAE and Saudi Arabia
Millet exports to get a leg up
The Financial Express, November 9, 2022

Minister of External Affairs S Jaishankar meets with his Russian counterpart Sergey Lavrov; both sides vow to expand their economic engagement including imports of petroleum products
India, Russia vow to expand economic cooperation, including energy sector
Business Standard, November 9, 2022
Indian trade service officers to engage more in the negotiations of free trade agreements (FTA), industry deliberations and policy-making

Trade service officers to engage more in FTA negotiations, policy making
Business Standard, November 9, 2022

India-US economic relations are driven by the common interest of promoting sustainability, emerging technologies, globally resilient supply chains, and small businesses, said Union Minister for Commerce and Industry Piyush Goyal while addressing the India-US CEO Forum

India-US ties driven by common interest of promoting sustainability: Goyal
Live mint, November 10, 2022

India in talks to export green hydrogen

India in talks with other countries to export green hydrogen, official says
Business Standard, November 10, 2022

SBI projects a lower current account deficit at 3 per cent for this fiscal due to rising software exports, remittances and a likely USD 5-billion jump in forex reserves via swap deals

Current account deficit likely to be lower at 3% this fiscal: SBI report
Business Standard, November 10, 2022

Tea exports are expected to increase to around 230 million kg during this calendar year from 196 million kg last year due to buoyancy in export markets

Tea exports likely to rise to 230 million kg in 2022: ITA
The Financial Express, November 11, 2022

India sells more vacuum gasoil to the US as West boycotts Russia due to its invasion of Ukraine

India sends more vacuum gasoil to US as the West shuns Russian oil
Business Standard, November 11, 2022

India-UAE partnership is accelerating fast; more than 10 billion dollars have been invested by UAE sovereign wealth fund across renewable energy, telecom, road infrastructure, affordable housing and startups

UAE sovereign wealth fund invested over $10 billion in last 5 years in India: Ambassador of India to UAE
The Economic Times, November 11, 2022

Foreign exchange reserves decline during the week ended November 4

India’s forex reserves down by $1.087 billion to $529.994 billion
The Economic Times, November 11, 2022
INTERNATIONAL SCENE

Ministry of Tourism participates at World Travel Market (WTM) 2022 from 7th to 9th November to step up recovery of Inbound tourism to pre-pandemic level

*India participates in World Travel Market 2022 (WTM) at London to step up recovery of Inbound tourism*

PIB, November 7, 2022

India commits in its NDC to create an additional carbon sink of 2.5-3.0 billion tonne of carbon dioxide equivalent through additional forest and tree cover by 2030

*COP27: India committed to create carbon sink of 2.5-3 billion tonne of CO2 equivalent by 2030*

Live mint, November 8, 2022

Prime Minister, Shri Narendra Modi unveiled the logo, theme and website of India’s G-20 Presidency via video conferencing and highlights

*PM unveils logo, theme and website of India’s G-20 Presidency via video conferencing*

PIB, November 8, 2022

India can bring world together for better future, says PM Narendra Modi as the logo, theme, and website of India’s upcoming G20 presidency, were unveiled

*G20 presidency is a new responsibility for India: Modi*

Live mint, November 8, 2022

India’s presidency of G20 provides a great opportunity for lending a healing touch to the world in time of challenges and take it back on the path of peace and prosperity

*G20 provides great opportunity for lending healing touch to world in times of challenges: Amitabh Kant*

The Economic Times, November 9, 2022

India to showcase its culture, diversity and technological advancement during its one-year presidency of the G20 group of countries, said Harshvardhan Shringla

*India to highlight heritage, diversity during one-year G20 presidency*

Business Standard, November 10, 2022
At the 11th Session of the India-Belarus Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation, India and Belarus reiterated their strong desire to further broaden their cooperation with emphasis on key sectors such as pharmaceuticals, financial services, science and technology, heavy industries, culture, tourism, and education.

FM Nirmala Sitharaman and US Treasury Secretary Janet Yellen discussed on various economic issues including global macroeconomic outlook, climate finance, supply chain resilience, international taxation, anti-money laundering, combating terrorism financing, India’s upcoming G20 presidency, and MDB’s reforms at the 9th Ministerial meeting of the India-US Economic and Financial Partnership.

India and US express concerns over high inflation mainly driven by external factors.

A successful Indian presidency is indispensable to our global economic recovery and sustained progress on our deepest problems, said US Treasury Secretary Janet Yellen on India assuming the G20 Presidency.