Weekly Economic Roundup

**PHENOMENAL GROWTH IN EXPORTS OF ENGINEERING GOODS!**

- In just 3 Quarters of 2021, exports have already surpassed last financial year’s figures by $5.18 billion.

**INDIA IN TOP 10 AI ADOPTERS LIST**

- Increased adoption of new generation technologies leading to better funding opportunities
- Ranks 6th in terms of spending & investments on AI made by public, governmental & private institutes & organisations

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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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(Photograph)

Jump to USD 81.8 Billion during April-December 2021
Source: @transformIndia | Twitter

India among top 10 global AI adopters, poised to grow sharply
Source: @transformIndia | Twitter

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POLICY AND REGULATORY FRAMEWORK

Government must target its spending carefully to avoid deficits
Government should prevent K-shaped recovery: Raghuram Rajan
The Hindu, January 23, 2022

Government expected to increase public health spend to GDP
In the pink of health: Healthcare sector expected to reach $372 billion in 2022
Business Standard, January 23, 2022

Customs department relaxes deadline till September 30 for the re-export of high-quality containers imported for efficient transportation of liquid medical oxygen
Government relaxes deadline for re-export of containers used for oxygen transport
Business Standard, January 23, 2022

Infrastructure projects in India entailing an investment of ₹150 crores show cost overruns
445 Indian infrastructure projects show cost overrun of ₹4.4 trillion
Business Standard, January 24, 2022

National Policy on Electronics sets a target of electronics production at $300 billion
Electronics production in India to reach $300 billion by 2026: Report
Business Standard, January 24, 2022

Assocham urges government to reduce custom duty on copper concentrate from 2.5 per cent to zero
Assocham requests government to remove custom duty on copper concentrate
The Economic Times, January 24, 2022

RBI to conduct variable repo rate auction under liquidity adjustment facility of ₹75,000 crore
RBI to conduct overnight variable repo rate auction of ₹75,000 crore
Business Standard, January 24, 2022

Centre procures 606.19 lakh tonne of paddy in the ongoing marketing season with maximum quantities being purchased from Punjab
Centre’s paddy procurement reaches 606.19 lakh tonne in 2021-22 season
The Financial Express, January 24, 2022
Exporters demand support measures to promote growth of outbound shipments

Exporters seek support measures in Budget to boost shipments
The Economic Times, January 24, 2022

Government to allow 40 per cent of total corpus from Contingency Fund to be given to Expenditure Secretary

Government tweaks spending norms for Contingency Fund of India
Business Standard, January 25, 2022

CCI planning to revamp disclosure norms to seek approval for merger deals and make the process less burdensome

CCI looks to ease market share disclosure norms for mergers
The Economic Times, January 25, 2022

Piyush Goyal calls for timely resolution of issues for the implementation of infrastructure projects

Goyal reviews fast track implementation of infra projects via PMG portal
Business Standard, January 25, 2022

Easing of FTA import rules to provide relief to importers and avoid future litigations making cross-border trade hassle-free

Budget 2022 expectations: Ease compliance rules for FTA imports to avoid future litigations
The Financial Express, January 26, 2022

Aluminium Association of India urges the finance minister to raise basic customs duty on aluminium scrap amidst threat to primary aluminium industry from growing import of scrap

Raise customs duty on aluminium scrap to 10%: Aluminium Association of India
The Financial Express, January 26, 2022

Banks seek exemption from GST levy of penal interest on the customer in case of a default, or delay in repayment and non-compliance of loan conditions

Banks seek relief from GST notices, special disputes mechanism
The Financial Express, January 26, 2022
Government must address unequal recovery by funding the rural employment guarantee scheme and ensuring free food ration beyond March
IMF’s Gita Gopinath wants Nirmala Sitharaman to address unequal recovery in this Budget
The Economic Times, January 26, 2022

Labour ministry to introduce four labour codes in a staggered manner, beginning with Social Security Code and Code on Occupational Safety, Health and Working Conditions
Phased introduction of Labour Codes on cards
The Economic Times, January 26, 2022

Government initiates anti-dumping probe against imports of tiles following complaints from domestic players
India probes China, Vietnam over ‘dumping’ of vinyl tiles
The Hindu, January 26, 2022

Crisil Research moots for budgetary support to strengthen household consumption demand
Budget FY23: Need to support incomes for consumption push
The Economic Times, January 26, 2022

CPSEs registers a Y-o-Y growth in capital expenditure as a reflection of its stepping up investments in infrastructure, land acquisition and procurement of heavy equipment
Capital expenditure by coal CPSEs climbs 28.3%
The Hindu, January 27, 2022

Annual Budget to be available digitally with only a handful of physical copies
India’s annual Budget again goes green, cuts down on printing to bare minimum
The Economic Times, January 27, 2022

Budget 2022 must focus on bridging widening inequality at a time when the COVID-19 pandemic has caused enormous distress to the low-income segments operating in the informal economy
Budget 2022 should focus on bridging widened inequality in economy, creating jobs, says former RBI Governor D Subbarao
The Financial Express, January 27, 2022
India is on the growth path with innovation and digitalization, brimming with energetic youth and entrepreneurial women
India on growth path with innovation, digitalization: Vedanta’s Agarwal
Business Standard, January 27, 2022

India is on course to become among the fastest growing economies of the world; will revive and sustain growth on a durable basis
Lifting consumption, investment & revival of MSME key challenges for policymakers, says RBI’s Michael Patra
The Economic Times, January 27, 2022

Budget 2022 to raise expenditure on infrastructure despite fiscal constraints
India seen boosting budget spending on infrastructure
The Hindu, January 28, 2022

Air India goes back to Tatas with government settling debts and liabilities of the airline
Maharaja set for take-off: Tatas get control of Air India, after 7 decades
Business Standard, January 28, 2022

India urges oil companies to raise production to cool down runaway oil prices
India dials oil producers to raise output as Brent tops $90 a barrel
Business Standard, January 28, 2022

Textile industry stakeholders urge to remove import duties on all varieties of cotton to curb rising prices
Textile sector pitches for removing import duty on all varieties of cotton
Business Standard, January 28, 2022

Telecom Standards Development Society of India to discontinue with the process of adopting 5Gi as a national standard amid fears of increase in network costs and mobile device prices
DoT discards plan on adoption of 5Gi following strong opposition from telecom companies
ETTelecom.com, January 28, 2022

Government notifies Phase II of the Scheme for Enhancement of Competitiveness of the Capital Goods Sector
Government notifies Phase II of capital goods scheme
The Economic Times, January 28, 2022
Government of India appoints V Anantha Nageswaran, as its next Chief Economic Advisor
The Economic Times, January 28, 2022

Budget must focus on boosting overall demand from rural consumption and invest more in infrastructure
[Economy needs more hand-holding, fiscal correction can wait: Report](https://theet.com/article/economy-needs-more-hand-holding-fiscal-correction-can-wait)
The Economic Times, January 28, 2022

Ministry of Finance grants borrowing permission to states to undertake reforms in the power sector
[Additional resources of ₹7,309 crore made available to States for undertaking power sector reforms](https://pib.nic.in/newsite/PressReleaseDisplay.aspx?PRID=20828)
PIB, January 28, 2022

India’s recovery rate is currently at 93.89%
PIB, January 29, 2022
ECONOMIC TRENDS

Demand for office space registers an increase, Y-o-Y

Demand for office space up 50% in 2021 led by startups, tech companies: Colliers
Business Standard, January 23, 2022

Sentiment index score for India’s real estate sector remains positive, with the ‘Current Sentiment Index’ touching an all-time high of 65 in October-December 2021

Positive sentiment score in real estate hit record high in Dec quarter: Report
Business Standard, January 24, 2022

Fuel demand to recover as easing of Covid-19 pandemic related restrictions boost economic activity

India’s fuel demand recovery to continue, says Fitch Ratings
The Economic Times, January 24, 2022

Cotton spinners to report double-digit growth driven by high demand

Cotton spinners likely to report double-digit growth in revenues in FY22
Business Standard, January 24, 2022

Economist Arvind Panagriya expresses hope of a sustained recovery and restoration of growth rate at 7 to 8 per cent

Indian economy has recovered ‘handsomely’ from pandemic-induced disruptions: Arvind Panagariya
The Financial Express, January 25, 2022

E-way bill generation under the GST system increase to 23.52 lakh/day for the week ended January 23 indicating a pick-up in goods dispatches

Goods dispatches pick up: E-way bill generation up 11.5% for week ended Jan 23
The Financial Express, January 25, 2022

NIBRI declines for the fourth consecutive time to 100.5 during the week ended January 23

Biz activity back at Aug ’21 levels, shows NIBRI
The Hindustan Times, January 25, 2022

Economic outlook to remain uncertain amid the third year of pandemic

Risks to recovery
Business Standard, January 26, 2022
Indian industry leader's express optimism due to fewer disruptions and business continuity despite Covid 3rd wave

Indian CEOs expect rebound by February-March from the third wave impact

The Economic Times, January 27, 2022

Economic momentum shows signs of stability with animal spirits staying unchanged

Economic indicators flash early warning sign for India’s rebound

BloombergQuint, January 27, 2022

Indian renewable energy has the potential to employ 1 million people with most jobs being created by small-scale renewable energy projects

India’s renewable energy sector can employ 1 million people by 2030: Study

Business Standard, January 27, 2022

Consumer sentiment improves in January

Consumer sentiment improves in January by 3.9% after a dip in December: CMIE

The Economic Times, January 27, 2022

Online payments more than doubled in 2021 growing by 104 per cent

Online payments doubled in 2021 on large-scale digital migration: Razorpay

Business Standard, January 28, 2022
TRADE AND INVESTMENT

Total imports from China cross $97.5 billion due to an increase in shipments of finished electronics and intermediate chemicals
India's reliance on Chinese goods surged in 2021
The Hindu, January 22, 2022

Gem and jewellery exports during December 2021 register an increase
India's December gems, jewellery exports up 29% against pre-pandemic 2019
Business Standard, January 23, 2022

India emerges as top exporter of gherkins with outbound shipments worth $114 million from April-October 2021
India is world's top exporter of cucumber and gherkins
The Economic Times, January 24, 2022

Exports of engineering goods rise, Y-o-Y
Engineering exports up 54% to $82 billion in April-December, says Union Commerce Ministry
The Financial Express, January 24, 2022

Crude oil imports increase to 7.1 per cent in December 2021 due to strong demand prospects prompting refiners to stock up
December crude oil imports at one-year peak amid strong demand prospects
Business Standard, January 25, 2022

Power trade volume at Indian Energy Exchange rises due to higher electricity consumption
Power trade volume rises 37% to 27.6 BU at IEX in December quarter
Business Standard, January 25, 2022

India China bilateral trade grew 43.3 per cent in 2021
Amid bilateral chill, India-China trade marks record surge in 2021
The Indian Express, January 26, 2022

A FTA between India and US is necessary to protect the interests of Indian and American companies
India and US need a free trade agreement, says USIBC president
Business Standard, January 26, 2022
Trade between India and South Africa increase from USD 10 billion to USD 11.6 billion

India-South Africa trade exceeds $10 billion target set by leaders
Business Standard, January 27, 2022

Capacity additions and further demand for fuels to increase import bill
Fuel demand, capacity addition by refiner likely to inflate oil import bill
Business Standard, January 27, 2022

India and Uzbekistan fast track talks for bilateral trade pact
India-Uzbek PTA talks gather momentum coinciding with Central Asia summit
The Economic Times, January 27, 2022

India initiates an anti-dumping probe against 'Ursodeoxvcholic Acid' following complaints from domestic players
India initiates anti-dumping probe against acid from China, Korea
The Economic Times, January 27, 2022

Exports of electronic goods register a Y-o-Y growth
Electronic goods exports up by 49% on-year in April-Dec 2021
Business Standard, January 28, 2022

Container traffic at JNPT jumps 25.9% in 2021
JNPT handles record cargo of 5.63 Million TEUs in 2021
PIB, January 28, 2022

PM Modi and five Central Asian leaders emphasise making efforts to boost trade and investment
India, central Asian countries pitch for boosting trade, connectivity
Business Standard, January 28, 2022

India and UK conclude first round of negotiations for bilateral FTA covering 26 policy areas
India, United Kingdom conclude round 1 of free trade agreement talks
The Economic Times, January 28, 2022

Foreign exchange reserves register a decline for the week ended January 21
Foreign exchange reserves fall to USD 634.287 billion
The Economic Times, January 28, 2022
India and ASEAN countries discuss several matters relevant to strengthening regional digital cooperation in the spirit of digital inclusion and integration at the 2\textsuperscript{nd} ASEAN Digital Ministers (ADGMIN) meeting

[India-ASEAN Digital Work Plan 2022 approved at 2nd ASEAN Digital Ministers (ADGMIN) meeting](PIB, January 29, 2022)
INTERNATIONAL SCENE

India is among the top 10 nations in the world in terms of technological advancements and funding in artificial intelligence
India among top 10 global AI adopters, poised to grow sharply
Livemint, January 20, 2022

World Bank gives nod to financial outlay to the West Bengal government to support its effort to help the poor and vulnerable groups access its social protection services
World Bank approves ₹1000 crores loan to help people get Bengal government services
The Financial Express, January 22, 2022

Experts from India and US organize the Indo-US Scoping Workshop on Carbon Capture on January 21, 2022
Experts from India & the United States discuss challenges & opportunities to combat Climate Change through technology-led Carbon Capture and Utilisation solutions
PIB, January 22, 2022

IMF projects global economy to expand 4.4% in 2022, down from an estimated 5.9% last year
IMF cuts world growth forecast due to omicron, other woes
The Financial Express, January 25, 2022

Emerging economies facing inflationary pressures to feel more pain as developed economies raise interest rates
More pain for emerging economies when developed world raises rates: IMF
Business Standard, January 26, 2022

IMF cuts GDP forecast citing disruptions due to the Omicron wave of the Covid-19 pandemic
Omicron effect: IMF cuts India’s GDP forecast for FY22 to 9% from 9.5%
Business Standard, January 26, 2022

Bharti Airtel and Google to partner on a long-term, multi-year agreement to accelerate the growth of India’s digital ecosystem
Google to invest up to $1 billion in a partnership with Airtel
The Hindu, January 28, 2022
150 villages are being taken up for conversion into Villages of Excellence with technical assistance from Israel

India-Israel agree to further enhance cooperation in the agricultural sector

PIB, January 28, 2022