Weekly Economic Roundup

Fish Production in India

New Chapter in Make in India Smartphones

Apple Begins Manufacturing the iPhone 14 in India

- The iPhone 14 is Apple’s first flagship device to be made in India shortly after its launch
- PLI scheme has made India a preferred manufacturing destination
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)

India has become the 2nd largest fish producer, and the 4th largest exporter of fish and fisheries products taking Brand India from ‘Local to Global’, Source: @PIB_IndiaTwitter

Apple now manufacturing iPhone 14 in India, Source: @economictimes|Twitter

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POLICY AND REGULATORY FRAMEWORK

Centre releases ₹25,000 crore to FCI as food subsidy
[Finance Ministry releases ₹25,000-crores food subsidy to FCI](The Financial Express, September 24, 2022)

Engineering sector’s body of MSMEs urged the government to announce a PLI scheme for the industry to boost domestic manufacturing, exports and job creation
[Engineering sector MSMEs seek production linked incentive scheme](Business Standard, September 25, 2022)

India achieves milestone in its digital health journey; Ayushman Bharat Digital Mission crosses the landmark of 1 crore digitally linked health records with over 27 lakh records linked in a day
[Ayushman Bharat Digital Mission crosses 10 million digitally linked records](Business Standard, September 25, 2022)

India is on track to attract $100 billion FDI in the current fiscal led by economic reforms including Make In India initiative and Ease of Doing Business
[8 years of Make in India, FY23 FDI on track to cross $100 billion, says Centre](The Economic Times, September 25, 2022)

Government considering ways to plug loopholes in regulations that may help solar developers to avoid paying payment of duties on cells and modules
[Government to plug duty loophole in solar equipment imports](Live mint, September 26, 2022)

MGNREGS in need of funds to meet demand for work in the current fiscal
[Work demand slowing, yet: Rural jobs scheme needs extra outlay to run smoothly through FY23](The Financial Express, September 26, 2022)

Russia’s Deputy Minister of Digital Development, Communications, and Mass Media Bella Cherkesova expresses interest to deepen collaboration with India in the field of advanced telecom technology, security, and development of 5G use cases
[Russian Minister shows interest in collaboration with India on telecom, 5G](Live mint, September 27, 2022)
Government to extend Foreign Trade Policy by six months, following the demands from various industry associations and state-backed export promotion councils due to the uncertain external environment. 
*Foreign trade policy extended by 6 months to March ’23*

The Financial Express, September 27, 2022

Small oil and gas field operators urge the government for exemption from petroleum cess, or the windfall tax on their entire production for FY23. 
*Small oil and gas field operators ask government for exemption from windfall tax*

Business Standard, September 27, 2022

*Government bans export of maps of sensitive locations such as* bulk oil and gas depots, and nuclear and military installations. 
*Government bans mapping and export of sensitive locations under data regime*

Business Standard, September 27, 2022

Government initiates process to disinvest various CPSEs under the Ministries of Housing & Urban Affairs and Health & Family Welfare, and Departments of Pharmaceuticals, Telecommunications and Fertilisers. 
*Centre for disinvestment of CPSEs under 2 ministries, 3 departments*

Business Standard, September 27, 2022

Government to give more time to EV players for implementing battery testing standards. 
*Industry gets extension for implementation of new EV battery testing standards*

Live mint, September 27, 2022

Ministry of Commerce recommends imposition of anti-dumping duty on Chinese steel tubes and pipes for five years to guard domestic players from cheap imports. 
*Commerce Ministry for imposing anti-dumping duty on Chinese steel tubes, pipes*

Business Standard, September 27, 2022

Net direct tax collection registers a growth this fiscal. 
*Net direct tax mop up rises 23% to ₹7.04 lakh crore so far this fiscal*

The Economic Times, September 27, 2022

Indian Railways to resume levy of a surcharge of 15 per cent on all goods traffic from October 1. 
*Indian Railways to resume levying surcharge during busy season from Oct 1*

Business Standard, September 28, 2022
Niti Aayog to put out draft recommendations to promote water trading and setting up of water regulation authority
Niti Aayog draft in the works for water trading on bourses
The Economic Times, September 28, 2022

Pradhan Mantri Garib Kalyan Anna Yojana is extended by another three months ahead of the festival season
Centre extends free food grain scheme till December at a cost of ₹45k crore
Business Standard, September 28, 2022

Government to re-invite the bid for Central Electronics Limited; formally terminates its sale to Nandlal Finance and Leasing Private Ltd.
Centre terminates Central Electronics divestment process
The Economic Times, September 28, 2022

RBI is unlikely to extend the deadline for businesses to set up an additional layer of security for consumers’ credit card data
RBI unlikely to extend 30 September deadline for credit, debit cards
Live mint, September 29, 2022

Government raises the threshold limit for launching prosecution as well as making compounding charges affordable so as to decriminalise certain offences under the GST
Certain GST offences to be decriminalised and compounding charges to be lowered
The Financial Express, September 29, 2022

India to boost financial investments for manufacturers such Apple Inc. and Dell Technologies Inc. to increase production and make the country an export hub in the longer term
India eyes $550 million incentives to woo companies like Apple, Dell
Business Standard, September 29, 2022

PM Modi inaugurates the first CNG Terminal and brownfield port at Bhavnagar
PM inaugurates and lays foundation stone of projects worth over ₹5200 crores in Bhavnagar
PIB, September 29, 2022

Government authorises issuance of 22nd tranche of electoral bonds as an alternative to cash donations made to political parties to bring transparency in political funding
Government approves 22nd tranche of electoral bonds; sale from October 1-10
The Economic Times, September 29, 2022
State-run oil companies lag in capital expenditure; spend just one-third of their total ₹1.11 trillion capital expenditure planned for 2022-23

State-run oil companies lag in capital expenditure for 2022-23
The Financial Express, September 30, 2022

India would be a pillar for global economic revival and an “island of stability” amongst global uncertainties, says Minister for Commerce and Industry in address at the annual general meeting of Bengal Chamber of Commerce and Industry

India would be an “island of stability” amongst global uncertainties, says Piyush Goyal
The Financial Express, September 30, 2022

Government to curb imports of some items to contain the widening current account deficit

Centre to put curbs on imports of some items to arrest rupee's fall: Report
Business Standard, September 30, 2022

Government reduced its borrowing target for the financial year 2022-23 amid robust tax collections

Centre cuts FY23 borrowing target by ₹10k crores amid robust tax collections
Business Standard, September 30, 2022

RBI proposes to ease norms in provision of internet banking facilities by RRB to promote the spread of digital banking in rural areas

RBI to ease net banking norms for customers of regional rural banks
Live mint, September 30, 2022

RBI’s Monetary Policy Committee increases the repo rate to 5.9%

Reserve Bank of India raises repo rate by 50 bps; continues with withdrawal of ‘accommodative’ stance
The Economic Times, September 30, 2022

RBI Governor expects inflation to come down close to the target over a two-year cycle

Expect inflation to come close to target of 4% in two years: RBI Governor Shaktikanta Das
The Economic Times, September 30, 2022
RBI Governor lists the third major shock facing global economy arising from aggressive monetary policy action, but assures domestic economy’s resilience amid the shocks

*World economy is in the eye of a new storm and no one is insulated from it: Shaktikanta Das*

The Economic Times, September 30, 2022

PM Modi launches 5G telecom services that seek to provide seamless coverage, high data rate, low latency and highly reliable communication technology

*PM Modi launches 5G services in India*

The Times of India, October 1, 2022

Weekly Positivity Rate is 1.39%

*COVID-19 UPDATE*

PIB, October 1, 2022
ECONOMIC TRENDS

Bank non-food credit registers a growth, Y-o-Y
Bank credit growth inches up to 16.67%
The Financial Express, September 24, 2022

Trend of increase in income tax collection is expected to continue in the coming months on increased compliance, higher corporate profitability and increased trade in festive season
Tax collections to continue rising trend in coming months, say experts
Business Standard, September 25, 2022

Chief Economic Advisor expresses optimism at India's economic growth recovery but warns investors to remain cautious due to ongoing geopolitical tensions
Indian economy showing resilience and recovery, says CEA Nageswaran
Business Standard, September 26, 2022

Global rating agency S&P predicted retail inflation to stay above the central bank's medium-term target of 2-6% until the end of 2022, while maintaining its economic growth forecast for India at 7.3% for FY23 and 6.5% for FY24
India's retail inflation to exceed 6% until end of 2022, says S&P
The Financial Express, September 27, 2022

Consumer demand is on rise for products priced above $2000, raising concerns of widening inequality
Robust demand for luxury products exposes widening inequality in India
Business Standard, September 27, 2022

Total employment generated by nine select non-farm sectors — manufacturing, construction, trade, transport, health, education, accommodation & restaurants, IT/BPOs, financial services — stood at 3.18 crore in January-March, as against 3.14 crore in last year’s October-December
Report on Fourth Round (January-March, 2022) of Quarterly Employment Survey (QES) released
PIB, September 27, 2022

Fisheries sector demonstrates double-digit average annual growth of 10.87% since 2014-15, with record fish production of 161.87 lakh tons during 2021-22
Indian Fisheries: NeeliKranti to ArthKranti
PIB, September 27, 2022
Gross financial savings of households declined from 15.9 per cent in FY 21 to 10.8 per cent in FY 22.

Household savings in India dip to lowest in five year as inflation persists
Business Standard, September 28, 2022

Share of crops in India’s agriculture fell to 55.5% in 2019-20 from 62.4% in 2011-12.
Crops’ share in agriculture drops to 55.5%, shows data
The Economic Times, September 29, 2022

Prices of wheat rise from 1.5% to 3% in September on festival season demand
Wheat prices rise up to 3% on festive demand
The Economic Times, September 29, 2022

Attrition in the IT industry goes up; firms look to hire more fresh talent
IT industry logged 25% attrition in FY22, trend to continue: Report
The Economic Times, September 29, 2022

Housing prices across the top seven cities- Mumbai Metropolitan Region (MMR), National Capital Region (NCR), Pune, Hyderabad, Chennai, Bengaluru, Kolkata register an increase between September 2021 and September 2022.
Residential property prices up 4-7% on rise in input costs, demand rebound
Live mint, September 30, 2022

Price tags of daily groceries rise between 10% and 22% since January, impacting volume sales
Price-tags of daily essentials rise up to 22% since January
The Economic Times, September 30, 2022

Retail inflation for industrial workers rises marginally to 5.85 per cent in August from 5.78 per cent in July 2022 due to higher prices of certain food items
Retail inflation for industrial workers rises to 5.85% in August
The Economic Times, September 30, 2022

Output of eight core infrastructure sectors grew 3.3 per cent in August as against 12.2 per cent in the year-ago period
Core sector growth slows to 3.3 per cent in August; lowest in nine months
The Economic Times, September 30, 2022

Fiscal deficit for the first five months of the current fiscal touched ₹5.42 lakh crore or 32.6% of annual estimates
India’s April-August fiscal deficit at $66.56 billion
The Economic Times, September 30, 2022
Pace of growth retail credit demand from households and individuals was 19.5 per cent in August 2022, Y-o-Y

**Ahead of festive season, retail credit growth nears 20% in August**

Business Standard, September 30, 2022
TRADE AND INVESTMENT

Non-petroleum exports to the UAE grew by 14% during the June-August period, year-on-year  
**CEPA impact: India’s non-petroleum exports to UAE up 14% in June-August**  
The Economic Times, September 25, 2022

Rupee trade with Bangladesh is likely due to a dollar crunch in Bangladesh, dip in the country's foreign exchange reserves and a weakening taka  
**Rupee trade with Bangladesh likely as it fights forex crunch, say bankers**  
The Economic Times, September 26, 2022

FIEO plans various activities - including exhibitions, B2B delegations, interactive sessions and capacity building programmes to increase India's export to the GCC region  
**FIEO plans series of activities in GCC markets to push India's exports**  
The Economic Times, September 27, 2022

Chief negotiators from India and Australia initiate talks toward a full-fledged free trade agreement  
**Australia India start FTA negotiations**  
Live mint, September 28, 2022

Deadline for exports of broken rice consignments in transit extended  
**Government extends deadline for exports of broken rice consignments till October 15**  
The Economic Times, September 28, 2022

India seeks authorisation from WTO to levy 15% duty on 22 British goods, in response to London’s decision to impose protectionist safeguard measures on select steel products  
**India proposes 15% punitive duty on 22 items from UK**  
The Financial Express, September 29, 2022

Overall export volumes of cut and polished diamonds is expected to decline to $22-22.5 billion in FY23 amid demand moderation  
**Exports of cut and polished diamonds likely to fall by 10% in FY23: Icra**  
The Economic Times, September 29, 2022

Current account deficit widened to $23.9 billion in Q1 of the current fiscal due to higher trade deficit  
**Current account deficit widens to 2.8% of GDP in Q1**  
The Indian Express, September 29, 2022
India to remain in the watch list for inclusion in the FTSE Emerging Markets Government Bond Index
India government bond inclusion in FTSE Russell index pushed back to next year
Live mint, September 30, 2022

External debt rose to $617.1 billion in June 2022, against $575.3 billion during the corresponding period of last year
India’s external debt rises 7.1% to $617 billion in June 2022: RBI data
Business Standard, September 30, 2022

Balance of payments is at a surplus of $4.6 billion in the April-June quarter
India's Q1 balance of payments surplus surprise an anomaly - economists
The Economic Times, September 30, 2022

Forex reserves decline by USD 8.134 billion to USD 537.518 billion for the week ended September 23
Forex reserves down USD 8.13 billion to USD 537.51 billion
The Economic Times, September 30, 2022
INTERNATIONAL SCENE

Asian Development Bank expects inflation to be elevated this year, raises forecast to 6.7 per cent from earlier projection of 5.8 per cent
Economic activity still below pre-pandemic level; RBI to slow down on rate cuts till next year: ADB
The Economic Times, September 25, 2022

India shows the most impressive growth in salary hikes globally
India records highest salary increase of 10.6% in 2022 across the world
Live mint, September 26, 2022

Apple starts manufacturing of the latest iPhone 14 in India through the company’s contract manufacturer Foxconn’s Sriperumbudur facility on the outskirts of Chennai
Apple now manufacturing iPhone 14 in India
Live mint, September 26, 2022

World heading towards global recession, radical policies needed to bolster growth: WTO chief
WTO chief warns world edging into ‘global recession’
The Economic Times, September 27, 2022

India’s fertiliser companies- Coromandel International, Chambal Fertilizers and Indian Potash Limited sign MoU with Canpotex, Canada to ensure long-term fertiliser availability for the farming community
Indian Fertiliser companies sign MOU with Canpotex, Canada one of the largest Potash suppliers globally
PIB, September 28, 2022

PM Modi and Japan’s PM Fumio Kishida reaffirm their commitment to further strengthen India-Japan cooperation
English Translation of Opening Remarks by Prime Minister, Shri Narendra Modi at the bilateral meeting with the Prime Minister of Japan
MEA, September 28, 2022

India jumps to the 40th spot in the 132-nation GII in 2022 led by improvement in information and communication technologies (ICT) services exports, venture capital recipients’ value, and finance for startups
India breaks into Top 40 on Global Innovation Index
The Economic Times, September 29, 2022