

**A-45011/3/2022-Admn.III**  
**Government of India**  
**Ministry of Finance**  
**(Department of Economic Affairs)**

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New Delhi, 13th January, 2023

**OFFICE MEMORANDUM**

The undersigned is directed to circulate herewith the unclassified portion of Monthly Summary on important policy decisions in respect of Department of Economic Affairs for the Month of November, 2022.

  
(Arup Shyam Chowdhury)  
Deputy Secretary to the Government of India  
Tel No. 2309- 5091

To

1. All Members of the Union Council of Ministers, Government of India, New Delhi.
2. Vice Chairman, Niti Aayog, Yojna Bhawan, New Delhi.
3. Cabinet Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
4. Secretary to the President of India, Rashtrapati Bhavan, New Delhi.
5. Secretary to the Vice-President of India, 6, Maulana Azad Road, New Delhi.
6. Principal Secretary to the Prime Minister, PMO, South Block, New Delhi
7. Chairman, Union Public Service Commission, Dholpur House, New Delhi.
8. All Members of Niti Aayog, Yojna Bhawan, New Delhi.
9. Secretaries to all the Ministries/Departments, Government of India, New Delhi.
10. PS to MOS (F), PPS to Finance Secretary, PPS to Secretary (EA), PPS to Secretary (Revenue), PPS to Secretary (Expenditure), PPS to Secretary (DIPAM).
11. Shri V. Anantha Nageswaran, Chief Economic Adviser, DEA.
12. Additional Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
13. Shri Manoj Sahay, AS&FA(Finance).
14. Ms. Aparna Bhatia, Advisor(Admn./Coord./ C&C )
15. Ms. Manisha Sinha, AS(G20 logistics(Coord-II)/OMI/Crypto assets and CBDC)

16. All Heads of Divisions in Department of Economic Affairs.  
JS(IPP)/JS(ISD)/JS(Inv)/JS(Budget)JS(FM)/All Advisers/CAAA
17. Shri Rajesh Malhotra, DG (M&C), M/o Finance, North Block, New  
Delhi.
18. Guard File – 2022.

**No. A-45011/3/2022-Admn. III**  
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Subject: **Monthly Summary on important policy decisions pertaining to Department of Economic Affairs (DEA) for the month of November, 2022**

**1. Important policy decisions taken and major achievements during the month:**

**Macroeconomic Overview:**

The resilient growth of the Indian economy in the first half (H1) of 2022-23, the fastest among major economies, speaks of strengthening macroeconomic stability. India registered a broad-based growth of 9.7 per cent in H1:2022-23, supported by robust domestic demand and upbeat investment activity. Sectoral analysis reveals that growth was driven by services sector, followed by, enhanced agriculture exports, and robust construction activity aided by increased infrastructure investment. Private consumption, bolstered by pent-up demand, reached its highest among all second quarters during the past 11 years at 58.4 per cent of GDP. The investment rate also rose to be the highest among all the second quarters since 2012-13 at 34.6 per cent of GDP, hinting at the beginnings of an investment boom.

As we move ahead in Q3, the momentum has been sustained well. There is cautious optimism as the slowdown in global economic activity is not mirrored in India's performance of various high-frequency indicators. An overall increase in Rabi coverage with adequately filled irrigation reservoirs bodes well for the growth of agricultural output in 2022-23. Increase in minimum support prices for both Kharif and Rabi crops in 2022-23 and progress in rice procurement have been supplementing rural incomes. Higher incomes, among others, have led to increased sales of passenger vehicles, two and three-wheelers and tractors. Industrial activity, as gauged by PMI Manufacturing, continued to remain in the expansionary zone during Q3: FY2022-23 (till November), driven by

improvement in operating conditions, expansion in new export orders, and rise in production. Buoyant GST collection, robust e-way bill generation and increased e-toll collection re-affirm the resilience of the economic activity. Steady growth momentum in service activity continues with expansion in Purchasing Manager's Index (PMI) Services during October-November, attributed to the growth in output and accommodative demand conditions, leading to a sustained upturn in sales. The growth impetus in rail freight and port traffic remains upbeat, with further improvement in the domestic aviation sector. Strong growth in fuel demand, domestic vehicle sales and high UPI transactions also reflect healthy demand conditions.

Inflationary pressures have been easing, with retail and wholesale inflation falling to 11 and 21-month lows in November. Both Wholesale Price Index (WPI) and Consumer Price Index (CPI) inflation slipped below the RBI's upper tolerance limit of 6 per cent, largely driven by the decline in food inflation. Core inflation, however, continues to remain sticky and persisted at an elevated level of 6 per cent in November 2022, partially reflecting increased pass-through of high manufacturing costs to consumer prices as demand continues to swiftly recover. Softening inflationary pressures in manufactured products, reflecting reduced input cost pressures and easing of supply chain pressures, are likely to get reflected in CPI core inflation in the coming months. Inflation expectations have also moderated in the November round of the RBI's Households' Inflation Expectations Survey. This augurs well for augmenting consumption in rural and urban regions in the upcoming months.

India's external sector has remained buoyant in the face of headwinds emanating from a slowing global economy. The downside to a widening of the current account deficit is expected to be limited by robust services exports during the rest of the year and by inward remittances, which are expected to touch USD 100 billion this year as per the World Bank. Stable foreign direct investment flows, resurgent FPI flows, and foreign exchange holdings that provides an import cover of 9 months as comfort on the external front. Altogether, India's strong economic performance is also asserted by the World Bank's recent upgradation of India's growth forecast from 6.5 per cent to 6.9 per cent for 2022-23. As we advance, global economic developments

are expected to complicate the outlook further, and therefore continued vigilance is critical to maintain India's external resilience.

## 2. Important Developments:

- (i) Following notifications were issued in November 2022:
  - (a) Framework for Sovereign Green Bond
  - (b) IFSCA (Maintenance of Website) Regulations, 2022
- (ii) Following loan/grant agreements were signed with multilateral and bilateral development agencies:
  - (a) Loan of Korean Won 245 billion (Rs. 1496 crore) for establishment of Intelligent Transport System on Nagpur-Mumbai Super Communication Expressway from Government of Republic of Korea's Economic Development Co-operation Fund
  - (b) Loan and grant aggregating to Euro 701 million and Euro 111 million for following six projects from KfW, Germany and AFD, France, respectively.
    - i. Protection of vulnerable catchment areas in Meghalaya
    - ii. Sustainable municipal infrastructure financing in Tamil Nadu
    - iii. Green Energy Corridor III, Energy Efficiency in Indian Electricity Grid and Intra-State Transmission System in Kerala
    - iv. Green Energy Corridors III for Intra-State Transmission System in Tamil Nadu
    - v. Kerala resilient programme
    - vi. Chandigarh 24x7 water supply project
  - (c) Additional loan of USD 12 million from IFAD and grant of USD 5.25 million from Bill & Melinda Gates Foundation for Maharashtra Rural Women's Enterprise Development Project (Nav Tejaswini)
  - (d) Loan of USD 3 million from ADB for project readiness (PRF-Infrastructure) Development of Agartala Municipal Corporation

- (e) A new Currency Swap Agreement between RBI and Maldives Monetary Authority for USD 200 million was approved.
- (iii) The following loans were negotiated with New Development Bank in November 2022:
- (a) Loan for Corridor 4 of the Chennai Metro Rail Project
  - (b) Loan for Meghalaya Ecotourism Infrastructure Development Project (MEIDP)
- (iv) Following capacity building programmes in infrastructure sector were conducted:
- (a) Public private partnership and Infrastructure Development at IIM Lucknow
  - (b) Project Planning & Scheduling in Mumbai
  - (c) Ownership-driven Project Manager as a Leader in Delhi
  - (d) Infrastructure Project Management in Bhubhaneswar.
- (v) Hon'ble Finance Minister chaired following meetings during November, 2022:
- (a) 5<sup>th</sup> Governing Council Meeting of National Investment and Infrastructure Ltd on 16<sup>th</sup> November, 2022
  - (b) 5<sup>th</sup> Meeting of the Board of Trustees of the Clean Ganga Fund on 24<sup>th</sup> November, 2022
  - (c) 9<sup>th</sup> Ministerial meeting of India-USA Economic & Financial Partnership on 11<sup>th</sup> November, 2022 in New Delhi
- (vi) Hon'ble Finance Minister met World Bank's Country Director to discuss borrowing limit of India and India's Presidency of G-20.
- (vii) Following important meetings at the official level were held/attended:
- (a) 29<sup>th</sup> FSDC-Sub Committee meeting by Secretary (EA), Chief Economic Adviser, and Senior Adviser (FS&CS) to review developments in the global and domestic economies in various segments of the financial system on 15<sup>th</sup> November, 2022
  - (b) Plenary meeting of the Financial Stability Board to discuss the NBFi progress report, climate scenario analysis and cross-border payments roadmap

- (c) Meeting of the Standing Committee of Standards Implementation of the Financial Stability Board to discuss SCSI Work plan of 2023
  - (d) Meeting of the DEA Screening Committee for consideration of proposals seeking financing from Multilateral Development Banks/Bilateral Agencies
  - (e) Exceptional International Development Association meeting on Sri Lanka
  - (f) 9th round of India-South Korea Comprehensive and Progressive Agreement upgrade negotiations to discuss Investment Chapter in Seoul, South Korea
  - (g) Discussions on Bilateral Investment Treaties between India and Australia, and, between India and Russia
  - (h) 2<sup>nd</sup> round of Investment chapter under Early Progress Trade Agreement between India and Canada
  - (i) Indo-German Annual Negotiation Meeting wherein, the German side agreed to commit a total amount of Euro 1010 million in 2022 mainly for funding various Technical and Financial cooperation projects/programmes
  - (j) Workshop on Credit worthiness of Cities during 14-18 November, 2022
- (viii) Pre-budget meetings were held by Hon'ble Finance Minister with economists, representatives of trade, industry, financial sector, labour organisations and agriculturist.

**3. Minimum Government, Maximum Governance**

The use of ICT in submission of information is being encouraged.

**4. Non-Compliance of ACC directions/orders: NIL**

**5. Details of FDI proposals cleared during the month and status of FDI proposals awaiting approval in the Department:**

Number of proposals cleared	:	01
Awaiting Approval in the Department	:	07