

## Weekly Compendium of Economic and Business Developments

(Period ending July 10, 2020)

Research Bureau disseminated information to the members of PHD Chamber & other industry stakeholders on economic and business developments at International, National and Sub-national arena such as Hon'ble Prime Minister inaugurated Rewa Ultra Mega Solar Power project, Ministry of Skill Development and Entrepreneurship launched AI-based ASEEM digital platform to bridge demand-supply gap of skilled workforce across sectors, Quick Estimates of Index of Industrial Production for the month of May, 2020, and decisions taken by the Union Cabinet, among others. The details of disseminated information during the week ending 10th July 2020 are appended.

### India and World Economy

- Decisions taken by the Union Cabinet-** Cabinet approves extension of time limit for availing the benefits of Pradhan Mantri Garib Kalyan Yojana for Ujjwala beneficiaries by three months w.e.f. 01.07.2020. Cabinet approves extension of Pradhan Mantri Garib Kalyan package-Pradhan Mantri Garib Kalyan Anna Yojana - distribution of free of cost Whole Chana for five months from July to November, 2020. Cabinet approves Central Sector Scheme of financing facility under 'Agriculture Infrastructure Fund'. Cabinet approves developing of Affordable rental housing Complexes for urban migrants / poor. Cabinet approves the proposal to extend the EPF contribution 24% (12% employees share and 12% employers share) for another three months from June to August 2020 under PMGKY/AATMANIRBHAR BHARAT. Cabinet approves capital infusion for the three Public Sector General Insurance Companies – Oriental Insurance Company Limited, National Insurance Company Limited and United India Insurance Company Limited.
- Hon'ble Prime Minister inaugurates Rewa Ultra Mega Solar Power project –** The Hon'ble Prime Minister Shri Narendra Modi dedicated to the Nation the Rewa Ultra Mega Solar Power project to the Nation via video conference. It is Asia's largest power project. The Rewa project will make the entire region a major hub for pure and clean energy in this decade. The hon'ble Prime Minister praised the effort in that it will also supply power to the Delhi Metro, along with the entire region surrounding Rewa.
- Ministry of Skill Development and Entrepreneurship launches AI-based ASEEM digital platform to bridge demand-supply gap of skilled workforce across sectors-** In an endeavour to improve the information flow and bridge the demand-supply gap in the skilled workforce market, the Ministry of Skill Development and Entrepreneurship (MSDE) today launched '**Aatamanirbhar Skilled Employee Employer Mapping (ASEEM) portal**' to help skilled people find sustainable livelihood opportunities. Apart from recruiting a skilled workforce that spurs business competitiveness and economic growth, the Artificial Intelligence-based platform has been envisioned to strengthen their career pathways by handholding them through their journeys to attain industry-relevant skills and explore emerging job opportunities especially in the post COVID era.

- **Quick Estimates of Index of Industrial Production for the month of May, 2020-** The Index for the month of May 2020 stands at 88.4 as compared to 53.6 for April 2020, indicating a graded pickup in industrial activity in the economy. The number of units responding has improved in May 2020 as compared to the earlier months of lockdown. The weighted response rate at time of QE of April 2020 was 87% which is now revised upwards to 91% at first revision.

## Our Voice

### **Liberalised environment and single window clearance mechanism crucial to attain self-reliance in coal sector: -**

Unlocking coal mining for private sector with liberalised norms is a significant step by the Government to reduce our import dependence, increase self-reliance in coal production and promote availability of coal at market prices. Introduction of seamless composite exploration –cum-mining-cum-production regime for mineral sector along with forming Mineral Index will enhance private investments and ensure better efficiency in mining and production process. These measures will go a long way in achieving Aatma Nirbhar Bharat and push private sector investments in the coming times supported with effective and efficient single window clearance mechanism. The steel and mining sectors are the backbone of the India's economic development as they have strong linkages with the other sectors of the economy. The sectors are expected to witness a major growth in the next few years, given the Government's reforms and vision such as Make in India Campaign, Smart Cities, Rural Electrification as well as the rise in infrastructure development. There is a need to make commercial mine auctions faster and efficient, ensuring provision of hassle free disbursements of loans vis-à-vis enhanced liquidity to steel and mining industry, Single One window facility to give clearance for all the permissions, reduce the cost of doing business, among others.

## Economy so far

- **FinMin's decision to levy penalty for late payment to vendors will assure timely payments:** GeM CEO- The Ministry of Finance's decision to levy 1% penalty on government departments and agencies for delayed payments to vendors selling goods on GeM platform will assure timely payments to them, particularly MSME players. The Department of Expenditure stated that government departments and agencies procuring goods and services from the government e-marketplace (GeM) platform, will have to pay 1% interest on late payment made to vendors.
- **Green shoots in economy, At 4.27 crore in June, e-way bills coming back to pre-lockdown levels-** E-way bill generation is inching towards pre-lockdown levels, with more than 4.27 crore bills generated in June, against an average of 5.3 crore per month in the pre-Covid period.
- **Vegetable prices rise up to 200%-** The prices of food items, including vegetables, have started to skyrocket even as the coronavirus crisis shows no sign of abating. The prices of vegetables, in particular, have increased quite significantly with retail prices of almost all kinds rising from 25 per cent to 200 per cent. The most significant rise has been registered in the price of tomato. Vegetable traders say prices have risen due to crop failure during the rainy season.
- **US\$12 billion worth Chinese imports under government lens; customs duty may be hiked-** As India considers steps to curtail cheap and substandard imports from China, it is set to start with raising basic customs duties on dozens of products. This would be followed up with non-tariff measures, such as standard specifications for hundreds of items, in the medium term. Though the move is not patently

China-specific and will apply to imports of the specified items from any country, the brunt of the decisions will be borne by China. The government is considering a list of 1,173 items — ranging from auto parts, compressors for AC and refrigerators to select steel and aluminium products and electrical machinery — to zero in on products/ sub-products on which the import duties can be hiked. These items are mostly imported from China and can be substituted with local production without much hassles, one of the sources said.

- **Trade between India and Bangladesh through Petrapole-Benapole border in West Bengal resumes-** Trade between India and Bangladesh through the Petrapole-Benapole border in West Bengal after the state government opened the border for Bangladeshi lorries three months following its closure due to COVID-19. The cross-border truck movements has begun. India had allowed export of goods from Petrapole, the largest land border port with Bangladesh, on June 7. But the West Bengal government was demanding that truck drivers coming from Bangladesh have to undergo a 14-day quarantine, in the wake of the COVID-19 pandemic, before entering the state with goods. As a result, consignments were halted at land borders.
- **Exporters want flexibility in fixing rates under new RoDTEP duty refund scheme-** Exporters have asked the government to allow more flexible fixation of refund rates under the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme, that is scheduled to replace the popular Merchandise Export from India Scheme (MEIS) at the end of December 2020, so that certain sectors are not worse off after the switch.
- **Higher Customs duty sought on solar module, cell imports from China-** The All India Solar Industries Association (AISIA) has written to the PMO seeking higher Customs duty, to counter dumping of solar PV modules by China, which they say is coming in the way of Atmanirbar Bharat.
- **India-China tussle: Government seeks stricter checks on Sri Lanka, Bangladesh, South Korea, Asean imports-** The Ministry of Commerce and Industry has sought stricter scrutiny of goods coming from Bangladesh, Sri Lanka, South Korea and the ASEAN bloc, amid fears of Chinese imports increasingly being routed through these countries. It has pushed for fast tracking amendments to the customs law to tighten the rules to claim concessional benefits under India's free trade pacts, in line with the changes proposed in the budget this year.
- **Finance Ministry report says green shoots in economy visible, lists indicators that show revival-** The finance ministry has asserted that "green shoots" have started to emerge in the economy, even as it acknowledges that the International Monetary Fund has pegged India's FY21 growth at minus 4.5%. Highlighting several data points in its monthly macro-economic report to buttress its assumption of a nascent recovery, the department of economic affairs has said total digital retail financial transactions via NPCI platforms rose sharply from Rs 6.71 lakh crore in April to Rs 9.65 lakh crore in May. Consumption of petroleum products jumped 47% from 99.37 lakh tonnes in April to 146.46 lakh tonnes in May. Kharif sowing climbed 104.3% year on year, with Rabi procurement in full flow with respect to oilseeds, pulses and wheat due to a bumper harvest.
- **Government extends curbs on budgetary expenditure, move to help fund the fiscal stimulus-** The curbs on certain regular but not-so-unavoidable budgetary expenditure imposed on the central ministries for June quarter has been extended to the second quarter of this fiscal also, in a move that will let the Centre rein in overall budget spending and reduce the yawning fiscal slippage. Many ministries and departments have been directed to keep their Q2 spending at 15-20% of the full-year outlay, against the usual pattern

of around 25%. This is even as certain additional non-budgeted spending will be undertaken by them under the fiscal stimulus package. Considering the need to effectively manage the cash flows of the government, it has been decided to retain and continue with the same expenditure management measures in Q2, as was applicable for Q1 of FY21, the expenditure department said in an office memorandum to ministries and departments.

- **Haryana Cabinet clears Ordinance to give 75% private jobs to locals-** 75% of private sector jobs in Haryana will be reserved for local candidates as per a proposed ordinance cleared by the state cabinet. The proposed move can have wider implications due to a large number of MNCs and Indian corporates being based in Gurgaon and other NCR cities falling within the state. The draft of the ordinance will be placed before the Council of Ministers in its next meeting.
- **Maharashtra government launches a portal to ensure employment to 'sons of soil'**- The Maharashtra government launched a portal to ensure employment to 'sons of soil' in the state. The launch comes against the backdrop of the Covid-19 pandemic, which saw return of migrant workers to native places outside the state. Industry has resumed functioning in the state after the government eased lockdown but is facing problem of manpower. The 'Maha Jobs' portal will connect factories and unemployed locals in the state and will help in fulfilling the Maha Aghadi alliance's poll promise of providing 80% jobs in industries to locals.
- **India's exports of solar modules, cells nearly double to ₹1,506 crore in FY20-** Even as the government is grappling with the issue of reducing India's dependence on imported solar modules and cells and developing a domestic manufacturing industry, another sub-story is playing out on the export front. In 2019-20, India's exports of solar modules and cells nearly doubled to \$212.69 million (₹1,506 crore), compared with \$121.08 million (₹847 crore) in the previous year.
- **India reviewing around 50 investment proposals from Chinese firms: Sources-** The Indian government is reviewing around 50 investment proposals involving Chinese companies under a new screening policy. Under new rules announced by India in April, all investments by entities based in neighbouring countries need to be approved by the Indian government, whether for new or additional funding. China is the biggest of these investors and the rules drew criticism from Chinese investors and Beijing, which called the policy discriminatory.
- **Share of labour-rich exports starts to fall, major drop in these key sectors-** Growth of India's exports from labour-intensive sectors has been slowing at a faster pace in recent years than overall outbound shipments, according to official data. While exports of merchandise dropped by 5.1% in FY20 to \$313 billion, those from job-sensitive sectors — such as textiles & garments, farm, plantation, marine, gems & jewellery, leather, stone, cement, ceramic and some other allied segments — slid by 8.4% to \$114.2 billion. Consequently, the share of such sectors in merchandise exports came down to just 36.5% in FY20 from close to 43.7% in FY17. This also partly explains why not enough jobs are being seen to have been created.
- **Centre expediting e-comm policy to regulate sector-** The Centre is trying to expedite work on the fresh draft of the national e-commerce policy, which proposes a regulator to deal with 'unique' aspects of e-commerce activities and seeks to impose strict rules on data flow in line with ones already being carved out for handling of personal data and non-personal data in the country.
- **Hon'ble Finance Minister holds review meeting on CAPEX of 23 CPSEs to boost expenditure in the**

**economy-** Smt. Nirmala Sitharaman, Hon'ble Union Minister for Finance & Corporate Affairs, held meeting, with Secretaries of Ministries of Petroleum & Natural Gas , Power , Coal , Mines and D/o Atomic Energy and the CMDs of 23 CPSEs belonging to these Ministries. This meeting was held as part of the series of meetings that the Finance Minister is having with various stakeholders to accelerate the economic growth. In FY 2019-20, against the CAPEX target of Rs.1,64,822 crore for the 23 CPSEs, the achievement was Rs.1,66,029 crore i.e. 101%. Q1 (FY 2019-20) achievement was Rs.26,320 crore (16%) and achievement of Q1 (FY 2020-21) is Rs.20,202 crore (12%). CAPEX target for 2020-21 is Rs.1,65,510 crore. She encouraged the CPSEs to perform better to achieve targets and to ensure that the capital outlay provided to them for the year 2020-21 is spent properly and within time. The Finance Minister said that better performance of CPSEs can help the economy in a big way to recover from the impact of Covid 19. The Finance Minister asked the Secretaries to closely monitor the performance of CPSEs in order to ensure capital expenditure to the tune of 50% of capital outlay by Q2 2020-21 and make plan for it. She stated that unresolved issues should be flagged immediately to the DEA/DPE for immediate solution.

- **India will bounce back with a vengeance: Shri Amitabh Kant-** Amidst the multiple challenges thrown up by the Covid-19 pandemic, India will bounce back with a vengeance with green shoots in the economy already being visible, said Amitabh Kant, CEO, NITI Aayog. According to him, every crisis can be turned into an opportunity and India must identify 12-13 sunrise sectors in which it can leapfrog to become global champions to achieve sustainable high growth and create jobs. He further mentioned that the Atma Nirbhar Bharat is the ability of Indian companies to develop world-class products to cater to the domestic market and eventually hit the global markets by becoming global champion.
- **Shri Nitin Gadkari, Shri Piyush Goyal hold high level meeting to expedite pending infrastructure projects-** Shri Nitin Gadkari, Hon'ble Union minister for road transport and highways on the previous day chaired a high-level meeting with Shri Piyush Goyal, Hon'ble Railway Minister and Shri Prakash Javadekar, Hon'ble Environment Minister to expedite pending infrastructure projects in the country, particularly those stuck due to inter-ministerial approvals. A key issue discussed in the meeting was outstanding forest clearance for 187 highway projects. It was also noted that many projects had not yet applied for Stage II forest clearance. The concerned officers were directed to initiate the process for the same immediately.
- **Enhancement of CRCL and Contactless Customs-** Shri M. Ajit Kumar, Chairman, Central Board of Indirect Taxes & Customs (CBIC) recently unveiled several new and modern testing equipment inducted into the Central Revenues Control Laboratory (CRCL) which would significantly enhance the in-house testing capability of the Customs leading to faster import and export clearances. He also launched new IT functionalities for supporting Contactless Customs under the CBIC's flagship programme, Turant Customs. Shri Kumar released a brochure on the occasion to highlight the equipment and testing facilities of the CRCL after extensive upgradation with state-of-art equipment, costing about Rs. 80 crores.
- **Government not considering extending equalisation levy deadline, says companies got enough time-** The government is not considering extending the deadline for payment of Equalisation Levy by non-resident e-commerce players, even though a majority of them are yet to deposit the first installment of the tax. The 2 per cent Equalisation Levy was introduced in the 2020-21 Budget and has come into effect from April 1, 2020. The deadline for payment of first installment of tax for April-June is July 7. The tax would be levied on consideration received by e-commerce operators from online supply of goods or services.

- 15th Finance Commission holds meeting with the World Bank and its HLG on Health Sector For the First Time Finance Commission to Devote Entire Chapter on Health Financing-** For a better understanding of the contours of India's Health Sector and in view of the Union Government's need and intention for reprioritization of its health spending, the 15th Finance commission held a detailed meeting with representatives of the World Bank, Niti Aayog and member of the Commission's High level group (HLG) on the health sector. The 15th Finance Commission's HLG on health will work with the World Bank (WB) to assist the FC in its recommendations for the health sector. Given its importance in the context of the pandemic, Shri NK Singh, chairman of the Finance Commission, said that for the first time the commission's final report would contain an entire chapter devoted to healthcare financing.
- World Bank provides US\$ 400 million to enhance support for rejuvenating the Ganga-** The World Bank and the Government of India signed a loan agreement to enhance support for the Namami Gange programme that seeks to rejuvenate the Ganga river. The Second National Ganga River Basin Project will help stem pollution in the iconic river and strengthen the management of the river basin which is home to more than 500 million people. The US\$ 400 million operation comprises a loan of US\$ 381 million and a proposed Guarantee of up to US\$ 19 million. The US\$ 381 million variable spread loan has a maturity of 18.5 years including a grace period of 5 years. The US\$ 19 million Guarantee Expiry Date will be 18 years from the Guarantee Effectiveness Date.
- Cabinet approves extension of time limit for availing the benefits of Pradhan Mantri Garib Kalyan Yojana for Ujjwala beneficiaries by three months w.e.f. 01.07.2020-** The Union Cabinet chaired by the Hon'ble Prime Minister, Shri Narendra Modi has approved the proposal of Ministry of Petroleum & Natural Gas for extension of time limit by three months w.e.f. 01.07.2020 for availing the benefits of Pradhan Mantri Garib Kalyan Yojana for Ujjwala beneficiaries. The Government had announced a relief package Pradhan Mantri Garib Kalyan Yojana aimed at providing a safety net to the poor and vulnerable who had been hit the hardest by the pandemic. The package also included relief for poor families who had availed of an LPG connection under PMUY. Under the PMGKY-Ujjwala, it was decided to provide free of cost refills for PMUY consumers for a period of 3 months w.e.f. 01.04.2020. Now the Cabinet has approved the proposal of the Ministry of Petroleum & Natural Gas to extend the time-limit for availing the advance by three months.
- Cabinet approves extension of Pradhan Mantri Garib Kalyan package-Pradhan Mantri Garib Kalyan Anna Yojana - distribution of free of cost Whole Chana for five months from July to November, 2020:** The Union Cabinet chaired by the Hon'ble Prime Minister, Shri Narendra Modi has approved further extension of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) as part of Economic Response to COVID-19, for another Five months from July to November, 2020. Under the Scheme it is proposed to distribute 9.7 Lakh MT cleaned whole Chana to States/UTs for distribution to all beneficiary households under the National Food Security Act, 2013 (NFSA) @ 1kg per month free of cost under for next five months -July to November, 2020 at a total estimated cost of Rs.6,849.24 crore.
- Cabinet approves capital infusion for the three Public Sector General Insurance Companies – Oriental Insurance Company Limited, National Insurance Company Limited and United India Insurance Company Limited-** The Union Cabinet chaired by the Hon'ble Prime Minister, Shri Narendra Modi has approved the capital infusion for an overall value of Rs.12,450 crore; (including Rs. 2,500 crore infused in FY 2019-20) in the three Public Sector General Insurance Companies (PSGICs) namely Oriental Insurance Company Limited (OICL), National Insurance Company Limited (NICL) and United India Insurance Company Limited (UIICL) but of which Rs.3,475 crore will be released immediately; while the balance Rs,6475 crore will be

infused later. Cabinet also approved increase in authorised share capital of NICL to Rs.7,500crore and that of UIICL and OICL to Rs 5,000 crore respectively to give effect to the capital infusion. Further, the process of merger has been ceased so far in view of the current scenario and instead, the focus shall be on their profitable growth.

- **15th Finance Commission discusses government's revenue projections in video meet-** The 15th Finance Commission has held a virtual meeting to discuss the Union's revenue projections in-depth. The meeting was headed by Chairman Shri NK Singh with Finance and Revenue Secretary Shri Ajay Bhushan Pandey, CBDT Chairman Shri Pramod Chandra Mody and CBIC Chairman Shri M Ajit Kumar.
- **Memorandum of Understanding (MoU) between CBDT and SEBI signed-** A formal Memorandum of Understanding (MoU) was signed between the Central Board of Direct Taxes (CBDT) and the Securities and Exchange Board of India (SEBI) for data exchange between the two organizations. The MoU will facilitate the sharing of data and information between SEBI and CBDT on an automatic and regular basis. In addition to regular exchange of data, SEBI and CBDT will also exchange with each other, on request and suo moto basis, any information available in their respective databases, for the purpose of carrying out their functions under various laws.
- **DPIIT may discuss 'country of origin' tag for e-sale with Consumer Ministry-** The industry department is likely to discuss with the Consumer Affairs Ministry the matter of mandating e-commerce firms to mention the 'country of origin' on each product sold through their platforms, sources said. The issue was discussed in a meeting called by the Department for Promotion of Industry and Internal Trade (DPIIT) and representatives of e-commerce companies. During the meeting, companies flagged certain issues such as single product manufactured in more than one country; imported goods, and unbranded and unpackaged items.
- **Cabinet approves Central Sector Scheme of financing facility under 'Agriculture Infrastructure Fund'-** The Union Cabinet chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its approval to a new pan India Central Sector Scheme-Agriculture Infrastructure Fund. The scheme shall provide a medium - long term debt financing facility for investment in viable projects for post-harvest management Infrastructure and community farming assets through interest subvention and financial support. Under the scheme, Rs. One Lakh Crore will be provided by banks and financial institutions as loans to Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Group (SHG), Farmers, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Startups, Aggregation Infrastructure Providers and Central/State agency or Local Body sponsored Public Private Partnership Project.
- **Hon'ble Union Minister of Jal Shakti held discussion with Uttar Pradesh Chief Minister through VC for implementation of Jal Jeevan Mission: State to provide 100% household tap connections by 2022-** Hon'ble Union Minister of Jal Shakti, Shri Gajendra Singh Shekhawat held discussion with Hon'ble Chief Minister of Uttar Pradesh, Shri Yogi Adityanath regarding implementation of Jal Jeevan Mission in the State through video conferencing. It's the endeavour of Government of India to provide assured basic services to the people living in rural areas of the country with focus on improving their living standards. Uttar Pradesh is planning 100% coverage by 2022 to accomplish the ambitious target of providing tap connection to every rural household of the State. The Hon'ble CM of UP assured expeditious implementation of the mission in the State so as to achieve the target of providing household tap connections in rural areas in a time-bound manner.

- Cabinet approves developing of Affordable rental housing Complexes for urban migrants / poor-** The Union Cabinet chaired by the Hon'ble Prime Minister, Shri Narendra Modi has given its approval for developing of Affordable Rental Housing Complexes (ARHCs) for urban migrants / poor as a sub-scheme under Pradhan Mantri Awas Yojana – Urban (PMAY – U). 1. The existing vacant government funded housing complexes will be converted in ARHCs through Concession Agreements for 25 years. Concessionaire will make the complexes livable by repair/retrofit and maintenance of rooms and filling up infrastructure gaps like water, sewer/ septage, sanitation, road etc. Complexes will revert to ULB after 25 years to restart next cycle like earlier or run on their own. Special incentives like use permission, 50% additional FAR/FSI, concessional loan at priority sector lending rate, tax reliefs at par with affordable housing etc. will be offered to private/ public entities to develop ARHCs on their own available vacant land for 25 years.
- Cabinet approves the proposal to extend the EPF contribution 24% (12% employees share and 12% employers share) for another three months from June to August 2020 under PMGKY/AATMANIRBHAR BHARAT-** The Union Cabinet chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its approval for extending the contribution both 12% employees' share and 12% employers' share under Employees Provident Fund, totaling 24% for another 3 months from June to August, 2020, as part of the package announced by the Government under Pradhan Mantri Garib Kalyan Yojana (PMGKY)/ Aatmanirbhar Bharat in the light of COVID-19, a Pandemic. This approval is in addition to the existing scheme for the wage months of March to May, 2020 approved on 15.04.2020. The total estimated expenditure is of Rs.4,860 crore. Over 72 lakh employees in 3.67 lakh establishments will be benefitted.
- Global economic revival relies on India's growth: Hon'ble Prime Minister Shri Narendra Modi-** Hon'ble Prime Minister Shri Narendra Modi has said the world's economic revival from the current crisis will be linked to the growth of India and the country is ready to do whatever it can to further global good and prosperity. Highlighting that India has played a leading role in reducing the cost of medicines, especially for developing countries, he said that the country will have an important role in scaling up production of the Covid-19 vaccine once it is discovered.
- Government to announce measures to boost demand; fiscal, monetary headroom available: Sanjeev Sanyal-** Asserting that economic activity is steadily coming back on track, Principal Economic Adviser Sanjeev Sanyal said the government will undertake measures to boost demand and there is both monetary and fiscal headroom available. We have announced packages along the way and most of the packages so far have really been about cushioning the demand shock. There is lots of monetary space as interest rates here are still significantly positive unlike western Europe, where there is zero to negative rates.
- Public limited companies just 0.6% of GST taxpayer base but pay 35% of revenue-** Public limited companies, which account for only 0.6% (72,151) of total GST-registered taxpayers, contribute about 35% to the GST revenue collection, data released by the GST Network showed. About 1.2 crore taxpayers are currently under the GST ambit. Similarly, only 0.2% taxpayers are public sector undertakings but contribute above 9% of revenue under GST. Other top revenue contributors are firms constituted as private limited companies — about 6.75 lakh or 5.9% of total taxpayers have paid 27.5% of the revenue.
- China factor: India's trade with Vietnam swings from big surplus to large deficit-** After Singapore and Hong Kong, Vietnam has emerged as the third Asian trade partner, which counts on massive Chinese investments, to turn its usual trade deficit with India into a decent surplus in a span of just three years.

Between FY18 and FY20, India's trade balance with Vietnam swung from a surplus of \$2.8 billion to a deficit of \$2.2 billion, according to official data. While India's imports from the south-east Asian nation jumped from \$5 billion in FY18 to \$7.3 billion in FY20, its exports crashed from \$7.8 billion to \$5.1 billion during this period.

- Maharashtra government signs MoU worth Rs 10,947 cr for MUTP phase 3 projects-** An MoU was signed between the Maharashtra government, state planning bodies MMRDA, CIDCO, and the Mumbai Rail Vikas Corporation (MRVC) for projects worth Rs 10,947 crore under the Mumbai Urban Transport Project phase 3 (MUTP-3). These projects include construction of a suburban railway corridor between Panvel and Karjat (Rs 2,783 crore), new suburban corridor link between Airoli and Kalva (elevated) in the Central Railway zone (Rs 476 crore), quadrupling of Virar-Dahanu link in the Western Railway zone (Rs 3,578 crore).
- PMSYM pension scheme: Enrolment falls sharply from 1.9 lakh in February to 1.1 lakh in March-** If the EPFO payroll data showed a big 20% drop in the number of 'contributing members' in April over the previous month due to the Covid-19 lockdown, the virtual cessation of economic and trading activities during the month and the continuing slack in most sectors have had a more ruinous impact on jobs in the unorganised sector. Net monthly additions to the Pradhan Mantri Shram Yogi Maandhan (PMSYM), the subsidised pension scheme for workers in the unorganised sector, fell sharply from 1.9 lakh in February to 1.1 lakh in March and then witnessed a precipitous decline to less than 18,000 each in April and May. Worse, reflecting the enormity of the crisis that engulfs the country's big and unwieldy informal sector, net addition to the scheme in June was just 14,484. Most of the job losses/income falls that the data represents look irretrievable at least for the time being, given that till the eighth of this month, fresh enrolments under the PMSYM was less than 2,400.

## Markets So Far

Indicators	Yearly			Monthly			Daily		
	2017	2018	2019	Apr 20	May 20	Jun 20	Jul 8, 20	Jul 9, 20	Jul 10, 20
BSE SENSEX	34057	36068	41253	33717	32424	34915	36329	36737	36594
GOLD (10 GRMS)	28966	30600	34813	40989	40989	47048	48965	49054	49143
CRUDE OIL (1 BBL)	3317	4437	4007.8	1449	2113	2895	3066	2975	2975
EXCHANGE RATE (INR/USD)	65	68	70.4	76.23	75.65	75.74	75.02	74.99	75.20

Source: PHD Research Bureau, PHDCCI, compiled from BSE, MCX and Bloomberg, RBI

Warm Regards,  
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