PHD Research Bureau
PHD Chamber of Commerce and Industry

NATIONAL APEX CHAMBER

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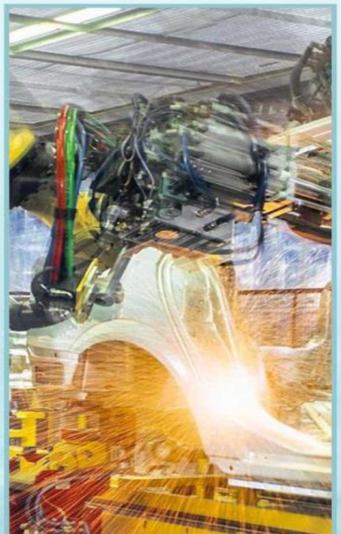
Economic Affairs Committee Newsletter

(Monthly Update on India's socio-economic development)

January 2021

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Economic Affairs Newsletter

(January 2021)

Introduction

It is highly appreciable that the Government is able to pull the economy from the low growth of GDP at (-)23.9% in Q1 FY 2020-21 to the overall growth of (-)7.7% in FY 2020-21 in the extremely difficult time of Pandemic COVID-19. This estimate of (-) 7.7% growth rate is very much in line with expectations as PHDCCI Economic and Business Momentum (EBM) Index released on October 21, 2020, which has estimated that the GDP growth will be at around (-) 7.9% for the current financial year 2020-21.

The trinity of the Stimulus of Policy, Financials and Confidence instilled by the Government during the last 9 months have enhanced the economic activity at significantly higher level. The December month economic activity based on the PHDCCI GPS Index, a composite index of three broad economic indicators including GST collections, Passenger Vehicle Sales and SENSEX, with the base of 2017-18, stood at its 33 months high.

The value of PHDCCI Economy GPS Index stood at 124.1 in December 2020, showing an improvement by around 15 points as compared to its value in December 2019 which indicate that the economy has significantly recovered in the recent months. At the same time, the growth has been recorded in industrial, steel production (sequential growth), PMI manufacturing, power demand, among others.

This significant recovery in the key economic and business indicators on the back of string of bold economic reforms along with approval of long-awaited Covid-19 vaccine and initiation of vaccination drives in various countries have instilled expectations of a strong and sustainable growth in positive territory in the coming quarters. Going forward, significant growth trajectory of more than 7.7% in next financial year 2021-22 is expected.

The recent consensus on the 2 issues of farmers including penalties on stubble burning and Electricity Amendment Bill 2020 among farmers' unions and Government is highly appreciable. An early resolution of the remaining 2 issues is expected to suppress the economic loss due to farm agitation through disruption in supply chains and day to day economic activities.

At this juncture, it is necessary that the Government continue with the reform momentum, especially in the Union Budget 2021-22, to rejuvenating economic growth and achieve the vision of AatmaNirbhar Bharat and an economic size of US$5 trillion, which has become a national imperative to fulfil the aspirations of over 1.3 billion people.

Table of Content

1. Indian Economy so Far

1. India's GDP growth estimated at (-)7.7 % in FY2021 as per First Advance Estimates by MOSPI

The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation has released the First Advance Estimates of National Income at both Constant (2011-12) and Current Prices, for the financial year 2020-21 along with the corresponding estimates of expenditure components of the Gross Domestic Product (GDP).

Real GDP or GDP at Constant Prices (2011-12) in the year 2020-21 is likely to attain a level of ₹134.40 lakh crore, as against the Provisional Estimate of GDP for the year 2019-20 of ₹145.66 lakh crore, released on 31st May 2020. The growth in real GDP during 2020-21 is estimated at -7.7 per cent as compared to the growth rate of 4.2 per cent in 2019-20. Real GVA at Basic Prices is estimated at ₹123.39 lakh crore in 2020-21, as against ₹133.01 lakh crore in 2019- 20, showing a contraction of 7.2 percent.

Nominal GDP or GDP at Current Prices in the year 2020-21 is likely to attain a level of ₹194.82 lakh crore, as against the Provisional Estimate of GDP for the year 2019-20 of ₹ 203.40 lakh crore, released on 31st May 2020. The growth in nominal GDP during 2020-21 is estimated at -4.2 per cent. Nominal GVA at Basic Prices is estimated at ₹175.77 lakh crore in 2020-21, as against ₹183.43 lakh crore in 2019-20, showing a contraction of 4.2 percent.

First Advance Estimates of GDP at Basic Prices by Economic Activity (at 2011-12 Prices)

Industry	Absolute Value (in Rs Crore)		Percentage Change Over Previous year	
	2019-20 (PE)	2020-21 (1st AE)	2019-20	2020-21
Agriculture, forestry &fishing	19,48,110	20,13,927	4.0	3.4
Mining &quarrying	3,55,680	3,11,621	3.1	(-)12.4
Manufacturing	23,17,280	20,98,912	0.03	(-)9.4
Electricity, gas, water supply & other utility services	3,08,832	3,17,125	4.1	2.7
Construction	10,33,276	9,03,243	1.3	(-)12.6
Trade, hotels, transport, communication & services related to broadcasting	25,77,945	20,26,128	3.6	(-)21.4
Financial, real estate & professional services	29,15,680	28,91,811	4.6	(-)0.8
Public administration, defence & other services	18,44,316	17,76,408	10.0	(-)3.7
GVA at Basic Price	1,33,01,120	1,23,39,175	3.9	(-)7.2
GDP at Basic Price	1,45,65,951	1,34,39,662	4.2	(-)7.7

Source: PHD Research Bureau, PHDCCI compiled from CSO and MOSPI
(Note: PE: Provisional Estimates; AE: Advance Estimates)

2. Ministry of Finance releases Quarterly Report on Public Debt Management, July to September 2020

Since Apr-June (Q1) 2010-11, the Public Debt Management Cell (PDMC) (earlier Middle Office), Budget Division, Department of Economic Affairs, Ministry of Finance has been bringing out a quarterly report on public debt management on a regular basis. The current report pertains to the quarter July – September 2020 (Q2 FY2021).

As per the Estimates of Gross Domestic Product for the Second Quarter (Q2) of 2020-21 released by the National Statistical Office on 27th November 2020, the real GDP contracted by 7.5 per cent during the second quarter of 2020-21 (against 4.4 per cent growth in Q2 of 2019-20). The real GVA showed a contraction of 7.0 per cent in Q2 of 2020-21 as against a growth 4.3 per cent during the corresponding quarter of last year.

The fiscal deficit (FD) of the Central Government for 2020-21 has been budgeted at ₹7,96,337 crore or 3.5 per cent of GDP as compared to the revised estimate of ₹7,66,846 crore (3.8 per cent of GDP) and the provisional estimate of ₹9,35,635 crore (4.6 per cent of GDP) for 2019-20. During April-October 2020, fiscal deficit at ₹9,53,154.28 crore worked out to 120.0 per cent of budget estimate as compared to 102.0 per cent of budget estimate in the corresponding quarter of 2019-20.

Fiscal Outcome during April-October – FY2020-21

(Amount in ₹ crore)

Items	Budget Estimates 2020-21	Actuals up to October 2020	Percentage of Actuals to Budget Estimates	
			2020-21	2019-20
Revenue Receipts	2020926	691903	34.2	46.2
Tax Receipts	1635909	575697	35.2	41.4
Non-Tax Receipts	385017	116206	30.2	71.6
Non-Debt Capital Receipts	224967	16397	7.3	22.4
Total Expenditure	3042230	1661454	54.6	59.4
Revenue Expenditure	2630221	1464099	55.7	59.4
Capital Expenditure	412009	197355	47.9	59.5
Revenue Deficit	609295	772196	126.7	112.5
Primary Deficit	88134	619698	703.1	995.4
Fiscal Deficit	796337	953154	119.7	102.4
Financing of FD				
Market Borrowings including T-Bills	535869.62	1153799.83	215.0	112.0
External Assistance	4621.65	39509.36	855.0	-209.0
Securities against small savings	240000	75468.68	31.0	61.0
State Provident Funds (net)	18000	9804.23	54.0	15.0
National Small Savings Fund	0	76894.72		
Special Deposits	0	-626.13		
Others	50848.54	-182205.53		
Cash Balance: Decrease(+)/Increase(-)	-53002.81	4990.12		
Investment (-)/Disinvestment of surplus cash	0	-224481.00		
Total	796337	953154.28	120.0	102.0

Source: CGA, Ministry of Finance

Gross and net market borrowings of the Central Government were budgeted at ₹7,80,000 crore and ₹5,10,870 crore for FY21. Subsequently, gross market borrowing was revised to ₹12,00,000 crore on

May 8, 2020. On October 15, 2020, the Central Government further revised the gross borrowing to ₹13,10,000 crore to compensate the States towards GST shortfall.

The net amount raised through issuance of dated securities was ₹4,20,000 crore during Q2 FY21 as compared to ₹1,72,160 crore during Q2 of FY20.

During Q2 FY21, the Government's cash position was largely in surplus mode, with the Central Government resorting to WMA for 3 days during the quarter, reflecting the proactive cash management measures undertaken by the Government. During July-September 2020, the Central Government repaid a Cash Management Bill of ₹ 80,000 crore did not raise any amount through the issuance of Cash Management Bills.

Total liabilities (including liabilities under the 'Public Account') of the Government, as per provisional data, increased to ₹1,07,04,294 crore at end-September 2020 from ₹1,01,35,600 crore at end-June 2020. This represented a quarter-on-quarter increase of 5.6 per cent in Q2 FY21. Public debt accounted for 91.1 per cent of total outstanding liabilities at end September 2020.

Total Liabilities of Central Government

(Amount in ₹ crore)

Item	At end-September 2020#	At end-June 2020	Percentage variation in September 2020 over June 2020
1	2	3	4
Public Debt (1 + 2)	**9746770**	**9228712**	5.6
1. Internal Debt	**9116309**	**8603657**	6.0
(i) Cash Management Bills	0	80000	-100.0
(ii) 91-days Treasury Bills	230783	199596	15.6
(iii) 182-days Treasury Bills	349193	281636	24.0
(iv) 364-days Treasury Bills	402310	320130	25.7
(v) 14-days Treasury Bills	107301	147913	-27.5
(vi) Market Loans	6621165	6200813	6.8
(vii) Marketable securities issued in conversion of special securities	35688	35688	-
(viii) Special Securities issued to PSBs/EXIM Bank	266348	266348	-
(ix) Compensation and other bonds[1]	83696	82338	1.6
(x) Sovereign Gold Bonds*	24184	17166	40.9
(xi) Securities against small savings	899639	876030	2.7
(xii) Securities issued to International Financial Institutions	96002	95999	-
(xiii) Ways and Means Advances	0	0	-
2. External Debt @	630461	625056	0.9
3. Public Account Liabilities	**957524**	**906887**	5.6
4. Total Debt/ Liabilities (1+2+3)	**1,07,04,294**	**1,01,35,600**	5.6

Data are provisional
@ at current rates
*Includes Gold Monetisation Scheme
Source: CGA, Ministry of Finance

During July- September quarter, yields on government security hardened due to apprehension about the Central Government further raising the borrowing from revised target of ₹12 lakh crore amid the strained fiscal position, MPC decision to keep policy rate unchanged in its meeting held on 4th August 2020, geo-political issue with China and higher retail inflation data. The yield on 10-year benchmark security opened at 5.84 per cent at the beginning of the quarter and closed at 6.02 per cent at end of the quarter in September

3. World Bank released Global Economic Prospects Report, January 2021, India's GDP growth is projected at (-)9.6% in FY2021, 5.4% in FY2022 and 5.2% in FY2023

According to World Bank released Global Economic Prospects Report, January 2021, Although the global economy is emerging from the collapse triggered by the pandemic, the recovery is projected to be subdued. Global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below its pre-pandemic trend. Moreover, there is a material risk that setbacks in containing the pandemic or other adverse events derail the recovery.

Growth in emerging market and developing economies (EMDEs) is envisioned to firm to 5 percent in 2021, but EMDE output is also expected to remain well below its pre-pandemic projection. The pandemic has exacerbated the risks associated with a decade-long wave of global debt accumulation. Debt levels have reached historic highs, making the global economy particularly vulnerable to financial market stress. The pandemic is likely to steepen the long-expected slowdown in potential growth over the next decade, undermining prospects for poverty reduction. The heightened level of uncertainty around the global outlook highlights policy makers' role in raising the likelihood of better growth outcomes while warding off worse ones. Limiting the spread of the virus, providing relief for vulnerable populations, and overcoming vaccine-related challenges are key immediate priorities. With weak fiscal positions severely constraining government support measures in many countries, an emphasis on ambitious reforms is needed to rekindle robust, sustainable and equitable growth

Global cooperation is critical in addressing many of these challenges. In particular, the global community needs to act rapidly and forcefully to make sure the ongoing debt wave does not end with a string of debt crises in EMDEs, as was the case with earlier waves of debt accumulation.

In India, the pandemic hit the economy at a time when growth was already decelerating. Output is projected to fall by 9.6 percent in FY2020/21, reflecting a sharp drop in household spending and private investment. The pandemic disproportionately affected activity in the services sector (mainly in urban areas, such as retail), paralyzed consumption, and caused significant unemployment.

However, recent high frequency data indicate that the services sector recovery is gaining momentum. The informal sector, which accounts for four-fifths of employment, also suffered severe income losses. In India, growth is expected to recover to 5.4 percent in 2021, as the rebound from a low base is offset by muted private investment growth given financial sector weaknesses.

Real GDP[1] (Percent change from previous year)

Region/Country	2020e	2021f	2022f
World	-4.3	4.0	3.8
Advanced Economies	-5.5	3.3	3.5
United States	-3.6	3.5	3.3
Euro Area	-7.4	3.6	4.0
Japan	-5.3	2.5	2.3
Emerging market and developing economies	-2.6	5.0	4.2
East Asia and Pacific	0.9	7.4	5.2

China	2.0	7.9	5.2
Europe and Central Asia	-2.9	3.3	3.9
Latin America and the Caribbean	-6.9	3.7	2.8
Middle East and North Africa	-5.0	2.1	3.1
South Asia	-6.7	3.3	3.8
India[2]	**-9.6**	**5.4**	**5.2**
Sub-Saharan Africa	-3.7	2.7	3.3

Source: PHD Research Bureau, PHDCCI, compiled from World Bank
Note: e refers to estimate; f refers to forecast; 1. Headline aggregate growth rates calculated using GDP weights at 2010 prices and market exchange rates. World growth rates based on purchasing power parity (PPP) weights attribute a greater portion of global GDP to EMDEs relative to market exchange rates due to the PPP methodology, which uses an exchange rate that is calculated from the difference in the price levels of a basket of goods and services between economies; 2. The column labeled 2020 refers to FY2020/21, 2021 refers to FY2021/22 and 2022 refers to FY2022/23

4. Value of global merchandise trade projected to fall by 5.6% in 2020: UNCTAD

According to UNCTAD, the value of global merchandise trade is predicted to fall by 5.6% in 2020 compared with last year. This would be the biggest fall in merchandise trade since 2009, when trade fell by 22%. This is a significantly more optimistic nowcast than only a few weeks ago when UNCTAD nowcasts were estimating a fall of 9%.

The predicted decline in services trade is much greater, with services likely to fall by 15.4% in 2020 compared with 2019. This would be the biggest decline in services trade since 1990, when this series began. In 2009, following the global financial crisis, services trade fell by 9.5%.

The nowcasts – data-led projections for the immediate future – are published as part of UNCTAD's comprehensive annual Handbook of Statistics for 2020, which presents the statistical landscape for 2019 with nowcasts for 2020.

The coronavirus pandemic however transformed business as usual in 2020, increasing demand for up-to-date figures on the economic impacts while also impacting statistical modeling.

Trade in merchandise nowcasts for 2020

Source: UNCTAD

Trade in services nowcasts for 2020

Source: UNCTAD

5. US Fed Policy - December 2020

- The Federal Reserve's Open Market Committee (FOMC) unanimously decided to maintain the federal fund rate at 0 – 0.25% in its last credit policy for 2020.
- The Committee asserted that it will be appropriate to maintain the policy rates in this target range until labour market conditions are consistent with the assessment of maximum employment and inflation averages 2% over time.
- It also expects to maintain an accommodative stance until these outcomes are achieved.
- The FOMC continues to believe that the outlook for the US economy is uncertain and depends on the course of the virus.
- The FOMC members have revised the economic outlook upwards for the US economy from their September projections.

6. October 2020 IIP growth rises to 3.6%

According to The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), the CPI inflation rises to 7.6% (prov.) in October 2020 as compared to the 7.3% in September 2020. The CPI inflation for rural and urban for the month of October 2020 is 7.7% and 7.4% respectively.

The Price data are collected from representative and selected 1114 urban markets and 1181 villages covering all States/UTs through personal visits by field staff of Field Operations Division of NSO, MoSPI on a weekly roster. During the month of October 2020, NSO collected prices from 98.1% villages and 97.9% urban markets while the prices reported therein were 84.3% for rural and 89.3% for urban.

The CPI inflation rates (%) for October, 2020 (prov.) (base 2012=100) for food and beverages is 10.16%, Pan, tobacco and intoxicants is 10.65%, clothing and footwear is 3.17%, Housing is 3.27% and Fuel and Light is 2.28%.

7. CPI inflation falls to 6.9% in November 2020

According to The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), the CPI inflation has fallen to 6.9% in November 2020 as compared to the 7.6% in October 2020.

All India Inflation rates (on point to point basis i.e. current month over same month of last year i.e. (November 2020 over November 2019), based on General Indices and CFPIs are given as follows:

All India Inflation Rates (%) based on CPI (General) and CFPI

Indices	October 2020 (Final)			November 2020 (Prov.)		
	Rural	Urban	Combined	Rural	Urban	Combined
CPI (General)	7.8	7.3	7.6	7.2	6.7	6.9
CFPI	11.1	10.9	11.0	9.6	9.1	9.4

Source: PHD Research Bureau, PHDCCI, compiled from MOSPI

The Price data are collected from representative and selected 1114 urban markets and 1181 villages covering all States/UTs through personal visits by field staff of Field Operations Division of NSO, MoSPI on a weekly roster. During the month of November 2020, NSO collected prices from 98.8% villages and 98.6% urban markets while the market-wise prices reported therein were 87.0% for rural and 91.1% for urban.

All India Consumer Price Indices and year-on-year Inflation rates (%) for November, 2020 (Provisional) (Base 2012=100)

Category	All India Consumer Price Indices and year-on-year Inflation rates (%) for November, 2020 (Provisional)					
	Rural		Urban		Combined	
	November, 20 Index (Prov.)	Inflation Rate (%)	November, 20 Index (Prov.)	Inflation Rate (%)	November, 20 Index (Prov.)	Inflation Rate (%)
Food and Beverages	164.4	8.9	166.7	8.5	165.2	8.8
Pan, tobacco and intoxicants	183.6	9.8	189.8	11.7	185.3	10.4
Clothing and Footwear	156.3	3.2	149.3	3.5	153.5	3.3

Housing	-	-	158.4	3.2	158.4	3.2
Fuel and Light	148.8	0.3	138.7	4.9	145	1.9
Miscellaneous	155.2	6.2	146.8	7.7	151.1	6.9
General Index (All Groups)	160.7	7.2	156.9	6.7	158.9	6.9

Source: PHD Research Bureau, PHDCCI, compiled from MOSPI Note: CPI (Rural) for Housing is not compiled

8. WPI inflation stands at 1.6% in November 2020

The WPI inflation stands at 1.6% in November 2020 as compared to 1.5% in October 2020, 1.3% in September 2020, 0.4% in August 2020, (-) 0.3% in July 2020, (-)1.8% in June 2020 and (-)3.4% in May 2020. The increase in WPI inflation in the month of November 2020 is attributed to increase in the prices of potato, whose inflation edged upto 115.1% in November 2020 as compared to 107.7% in October 2020, Non-Food Articles, whose inflation edged upto 8.4% in November 2020 as compared to 2.9% in October 2020 and Oil Seeds whose inflation edged upto 8.3% in November 2020 as compared to 4.4% in October 2020.

WPI inflation in Select Commodities (Base year: 2011-12)

S. No.	Commodity	WPI Inflation Y-o-Y % growth			
		Sep-20	Oct-20	Nov-20	Change in November-20 as Compared to Previous Month
1	**All Commodities**	1.3	1.5	1.6	↑
2	**Primary Articles**	4.1	4.7	2.7	↓
3	**Food Articles**	8.4	6.4	3.9	↓
4	**Cereals**	(-)3.7	(-)5.2	(-)5.5	↓
5	**Vegetables**	38.1	25.2	12.2	↓
6	**Non-food Articles**	(-)1.8	2.8	8.4	↑
7	**Fuel & Power**	(-)8.7	(-)11	(-)9.9	↑
8	**Petrol**	(-)12.4	(-)14.6	(-)14.7	↓
9	**Manufactured Products**	1.9	2.1	3.0	↑

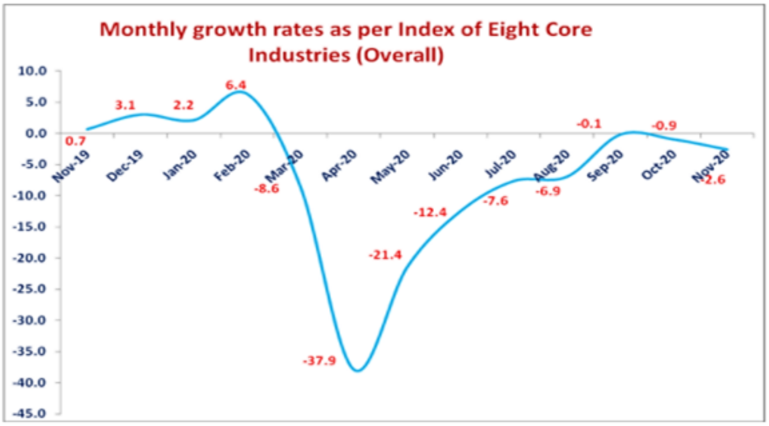
Source: PHD Research Bureau, PHDCCI compiled from the office of the Economic Advisor, Government of India (Note: Figures are rounded off)

9. November 2020 Core infra stands at (-)2.6%

The core infrastructure growth stands at (-)2.6% in November 2020 as against (-)0.9% in October 2020. The cumulative growth of core infrastructure during April-November 2020-21 stands at (-)11.4% as compared to 0.3% in April-November 2019-20.

The growth rate of Coal stands at 2.9%, Crude Oil at (-)4.9%, Natural Gas at (-)9.3%, Refinery Products at(-)4.8%, Fertilizers at 1.6%, Steel at (-)4.4%, Cement at (-)7.1% and Electricity at

2.2% in November 2020 as compared to 11.7%, (-)6.2%, (-)8.6%, (-)17%, 6.3%, 4%, 3.2% and 11.2% in October 2020, respectively.



Source: PHD Research Bureau, PHDCCI, compiled from Ministry of Commerce & Industry

10. Merchandise exports and imports grew by (-) 9% and (-) 13% respectively in November 2020

EXPORTS

Exports in November 2020 were USD 23 Billion, as compared to USD 26 Billion in November 2019, exhibiting a negative growth of (-) 9 per cent. In Rupee terms, exports were Rs. 1,74,559 Crore in November 2020, as compared to Rs. 1,84,142 Crore in November 2019, registering a negative growth of (-) 5 per cent.

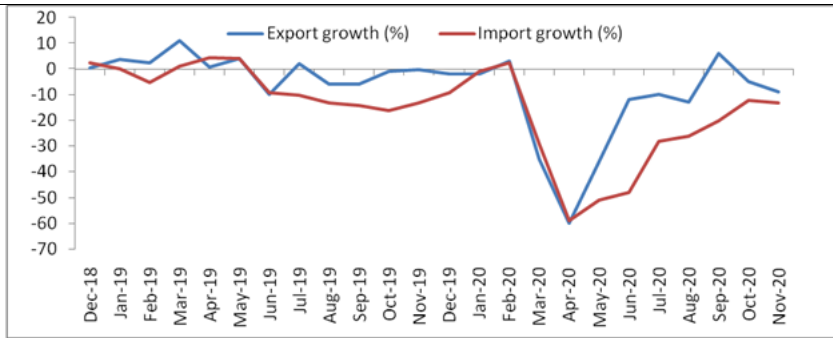
Cumulative value of exports for the period April-November 2020-21 was USD 174 Billion (Rs. 12,95,935 Crore) as against USD 211 Billion (Rs. 14,84,386 Crore) during the period April-November 2019-20, registering a negative growth of (-) 18 per cent in Dollar terms (negative growth of (-) 13 per cent in Rupee terms).

IMPORTS

Imports in November 2020 were USD 33 Billion (Rs. 2,47,839 Crore), which is a decline of (-) 13 per cent in Dollar terms and (-) 10 per cent in Rupee terms over imports of USD 38 Billion (Rs 2,75,255 Crore) in November 2019.

Cumulative value of imports for the period April-November 2020-21 was USD 216 Billion (Rs. 16,09,382 Crore), as against USD 325 Billion (Rs. 22,80,659 Crore) during the period April-November 2019-20, registering a negative growth of (-) 33 per cent in Dollar terms and a negative growth of (-) 29 per cent in Rupee terms.

Trend of India's Merchandize Exports and Imports Growth (in %)



Source: PHD Research Bureau; PHDCCI Compiled from Ministry of Commerce and Industry, Government of India

India's Merchandise Trade Statistics at a Glance

Merchandise	Feb-20	Mar-20	Apr-20	May-20	Jun-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20
Exports (USD billion)	**28**	**21**	**10**	**19**	**22**	**24**	**23**	**27**	**25**	**23**
Growth (%)	3	-35	-60	-36	-12	-10	-13	6	-5	-9
Imports (USD billion)	**38**	**31**	**17**	**22**	**21**	**29**	**30**	**30**	**34**	**33**
Growth (%)	2.5	-29	-59	-51	-48	-28	-26	-20	-12	-13
Trade Balance (USD billion)	**-10**	**-10**	**-7**	**-3**	**1**	**-5**	**-7**	**-3**	**-9**	**-10**

Source: PHD Research Bureau; PHDCCI Compiled from Ministry of Commerce and Industry, Government of India

11. Service exports registered a growth of (-)6% in October 2020

EXPORTS

As per the latest press release by RBI dated 15th December 2020, exports in October 2020 were USD 17 Billion (Rs. 1,21,815 Crore) registering a negative growth of (-) 6 per cent in Dollar terms, vis-à-vis October 2019. The estimated value of services export for November 2020* is USD 16 Billion

IMPORTS

As per the latest press release by RBI dated 15th December 2020, imports in October 2020 were USD 10 Billion (Rs. 69,969 Crore) registering a negative growth of (-) 12 per cent in Dollar terms, vis-à-vis October 2019. The estimated value of services import for November 2020* is USD 9 Billion.

Trade in Services at a Glance

Services	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sept-20	Oct-20
Exports (Receipts) (USD billion)	19	18	18	16	17	17	17	17	17	17
Imports (Payments) (USD billion)	12	11	11	9	10	10	10	10	10	10
Trade Balance (USD billion)	7	7	7	7	7	7	7	7	7	7

Source: PHD Research Bureau; PHDCCI Compiled from Ministry of Commerce and Industry, Government of India

12. November 2020 Fiscal Deficit stands at 135.1% of actuals to BEs

The gross fiscal deficit of the Central government stands at 135.1% of the actuals to budget estimates (BEs) in November2020 as compared to 114.8% of the actuals to budget estimates in the corresponding period of the previous year.

The primary deficit and revenue deficit stands at 785.3% and 139.9% of the actuals to budget estimates in November 2020 as compared to 1076.5% and 128.3% of the actuals to budget estimates in the corresponding period of the previous year.

13. Gross Bank Credit growth stands at 6.0% in November 2020

Gross bank credit growth (year-on-year) stands at 6.0% in November 2020 as against 5.5% in October, 2020. On a year-on-year (y-o-y) basis, non-food bank credit growth stood at 6.0 per cent in November 2020 as compared to 7.2 per cent in November 2019.

Reversing the downtrend, credit growth to **agriculture and allied activities** accelerated to 8.5 per cent in November 2020 from 6.5 per cent in November 2019.

Credit to **industry** contracted marginally by 0.7 per cent in November 2020 as compared with 2.4 per cent growth in November 2019 mainly due to contraction in credit to large industries by 1.8 per cent in November 2020 (3.0 per cent growth a year ago), though credit to medium industries registered a robust growth of 20.9 per cent in November 2020 vis-a-vis contraction of 2.4 per cent a year ago.

Within industry, credit to 'food processing', 'petroleum, coal products & nuclear fuels', 'leather & leather products', 'paper & paper products', 'mining & quarrying', 'glass & glassware', 'textile', 'beverages & tobacco' and 'vehicles, vehicle parts & transport equipment' registered accelerated growth in November 2020 as compared with the growth in the corresponding month of the previous year. However, credit growth to 'rubber plastic & their products', 'cement & cement products', 'all engineering', 'gems & jewellery', 'infrastructure', 'basic metal & metal products' and 'construction' decelerated/contracted.

Credit growth to the **services sector** accelerated to 8.8 per cent in November 2020 from 4.8 per cent in November 2019 mainly on the back of acceleration in credit growth to 'transport operators' and 'trade' within the services sector.

Personal loans registered a growth of 10.0 per cent in November 2020 as compared with 16.4 per cent growth in November 2019. Within this sector, vehicle loans continued to perform well, registering an accelerated growth of 10.0 per cent in November 2020 vis-a-vis a growth of 4.7 per cent in November 2019.

14. Current Account Surplus moderated to 2.4% of GDP in Q2 2020-21 from 3.8% in Q1 2020-21

Key Features of India's BoP in Q2 of 2020-21

- India's current account surplus moderated to US$ 15.5 billion (2.4 per cent of GDP) in Q2 of 2020-21 from US$ 19.2 billion (3.8 per cent of GDP) in Q1 of 2020-21; a deficit of US$ 7.6 billion (1.1 per cent of GDP) was recorded a year ago [i.e. Q2 of 2019-20].
- The narrowing of the current account surplus in Q2 of 2020-21 was on account of a rise in the merchandise trade deficit to US$ 14.8 billion from US$ 10.8 billion in the preceding quarter.
- Net services receipts increased both sequentially and on a year-on-year basis, primarily on the back of higher net earnings from computer services.
- Private transfer receipts, mainly representing remittances by Indians employed overseas, declined on a y-o-y basis but improved sequentially by 12 per cent to US$ 20.4 billion in Q2 2020-21.
- Net outgo from the primary income account, primarily reflecting net overseas investment income payments, increased to US$ 9.3 billion from US$ 8.8 billion a year ago.
- In the financial account, net foreign direct investment recorded robust inflow of US$ 24.6 billion as compared with US$ 7.3 billion in Q2 of 2019-20.
- Net foreign portfolio investment was US$ 7.0 billion as compared with US$ 2.5 billion in Q2 of 2019-20, largely reflecting net purchases in the equity market.
- With repayments exceeding fresh disbursals, external commercial borrowings to India recorded net outflow of US$ 4.1 billion in Q2 of 2020-21 as against an inflow of US$ 3.1 billion a year ago.
- Net accretions to non-resident deposits moderated to US$ 1.9 billion from US$ 2.3 billion in Q2 of 2019-20.
- There was an accretion of US$ 31.6 billion to the foreign exchange reserves (on a BoP basis) as compared with that of US$ 5.1 billion in Q2 of 2019-20.

BoP during April-September 2020-21 (H1 of 2020-21)

- India recorded a current account surplus of 3.1 per cent of GDP in H1of 2020-21 as against a deficit of 1.6 per cent in H1 of 2019-20 on the back of a sharp contraction in the trade deficit.
- Net invisible receipts were lower in H1 of 2020-21, mainly due to decline in net private transfer receipts.
- Net FDI inflows at US$ 23.8 billion in H1of 2020-21 were higher than US$ 21.3 billion in H1of 2019-20.
- Portfolio investment recorded a net inflow of US$ 7.6 billion in H1of 2020-21, almost at the same level as a year ago.
- In H1 of 2020-21, there was an accretion of US$ 51.4 billion to the foreign exchange reserves (on a BoP basis).

15. India's external debt stands at around US$ 555 billion at end-June 2020

At end-June 2020, India's external debt was placed at US$ 554.5 billion, recording a decrease of US$ 3.9 billion over its level at end-March 2020.

- The external debt to GDP ratio increased to 21.8 per cent at end-June 2020 from 20.6 per cent at end-March 2020.
- Valuation loss due to the depreciation of the US dollar vis-à-vis major currencies such as euro, yen and SDR2 were placed at US$ 0.7 billion. Excluding the valuation effect, the decrease in external debt would have been US$ 4.5 billion instead of US$ 3.9 billion at end-June 2020 over end-March 2020.
- Commercial borrowings remained the largest component of external debt, with a share of 38.1 per cent, followed by non-resident deposits (23.9 per cent) and short-term trade credit (18.2 per cent).
- At end-June 2020, long-term debt (with original maturity of above one year) was placed at US$ 449.5 billion, recording a decrease of US$ 2.0 billion over its level at end-March 2020.
- The share of short-term debt (with original maturity of up to one year) in total external debt declined to 18.9 per cent at end-June 2020 from 19.1 per cent at end-March 2020; the ratio of short-term debt (original maturity) to foreign exchange reserves declined to 20.8 per cent at end-June 2020 (22.4 per cent at end-March 2020).
- Short-term debt on residual maturity basis (i.e., debt obligations that include long-term debt by original maturity falling due over the next twelve months and short-term debt by original maturity) constituted 44.0 per cent of total external debt at end-June 2020 (42.4 per cent at end-March 2020) and stood at 48.2 per cent of foreign exchange reserves (49.6 per cent at end-March 2020).
- US dollar denominated debt remained the largest component of India's external debt, with a share of 53.9 per cent at end-June 2020, followed by the Indian rupee (31.6 per cent), yen (5.7 per cent), SDR (4.5 per cent) and the euro (3.5 per cent).
- The borrower-wise classification shows that the outstanding debt of both government and non-government sectors decreased at end-June 2020.
- The share of outstanding debt of non-financial corporations in total external debt was the highest at 42.3 per cent, followed by deposit-taking corporations (except the central bank) (28.1 per cent), general government (18.0 per cent) and other financial corporations (7.4 per cent).
- The instrument-wise classification shows that the loans were the largest component of external debt, with a share of 35.4 per cent, followed by currency and deposits (24.3 per cent), trade credit and advances (18.8 per cent) and debt securities (16.3 per cent).
- Debt service (principal repayments plus interest payments) increased to 8.1 per cent of current receipts at end-June 2020 as compared with 6.5 per cent at end-March 2020, reflecting lower current receipts.

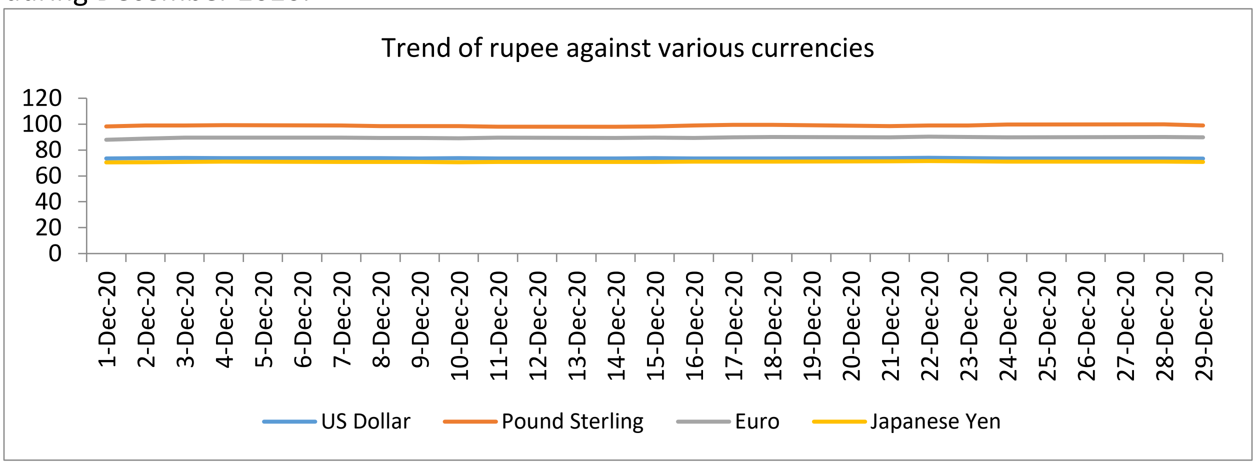
16. ECBs raised at about USD 2.04 billion during November 2020

Indian firms have raised about USD 2.05 billion through external commercial borrowings (ECBs) by automatic and approval route in November 2020 as against around USD 2.03 billion in October 2020. While, ECBs were at about USD 2.1 billion in November 2019.

A closer look at the ECBs pattern reveals that the largest share in ECBs during the month of November 2020 is held for infrastructure development purpose, refinancing of earlier ECBs, New project purpose, working capital purpose and import of capital goods purpose, among others.

17. Overview of Indian Rupee

In the month of December 2020 (till 29th December 2020), the average exchange rate of rupee against USD stands at 73.6. The average exchange rate of rupee against Japanese yen stands at 71. The exchange rate of rupee against Euro has remained at an average of 89.5 in the month of December 2020. While, the average exchange rate of rupee against pound sterling is at 98.8 during December 2020.



Source: PHD Research Bureau, compiled from RBI (Note: data till 29th December 2020)

18. Monthly trend of rupee exchange rate (high and low) against currencies in December 2020

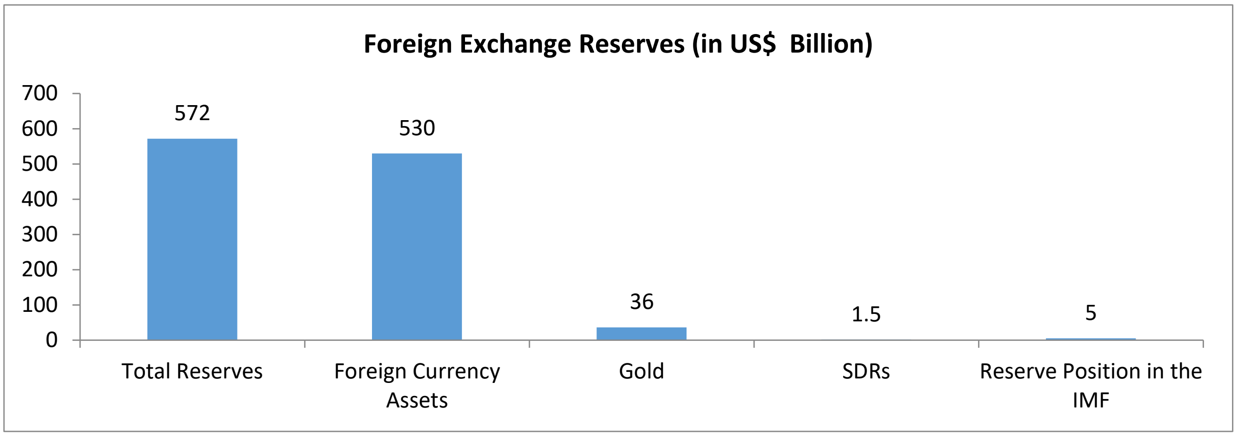
In the month of December 2020, the exchange rate of rupee against USD recorded highest at 73.9, while it registered lowest at 73.4. The exchange rate of rupee against pound registered highest at 99.8 and lowest at 98. In case of Euro currency, exchange rate of rupee recorded highest at 90.3 and lowest at 87.9. The exchange rate of rupee against Japanese yen recorded highest at 71.4 and lowest at 70.4.

	Open	High	Low	Close
USD	73.5	73.9	73.4	73.4
Pound Sterling	98.2	99.8	98	98.9
Euro	87.9	90.3	87.9	89.8
Japanese Yen	70.4	71.4	70.4	70.7

Source: PHD Research Bureau, compiled from RBI (Note: data till 29th December 2020)

19. Foreign exchange reserves

India's foreign exchange reserves stands at about USD 572billion as on December 24, 2020 of which Foreign Currency Assets consists of USD 530 billion, Gold reserves at USD 36 billion, SDRs at USD 1.5 billion and reserve position in the IMF at USD 5 billion.



Source: PHD Research Bureau, compiled from RBI (Note: Figures are round off)

20. GST Revenue collection for December 2020 stands at Rs 1,15,174 crore

The gross GST revenue collected in the month of **December** is Rs 1,15,174 crore of which **CGST** CGST is **₹ 21,365 crore**, SGST is **₹ 27,804 crore**, IGST is **₹ 57,426 crore** (including ₹ 27,050 crore collected on import of goods) and Cess is ₹ 8,579 crore (including ₹ 971 crore collected on import of goods). The total number of GSTR-3B Returns filed for the month of November up to 31st December 2020 is 87 lakhs.

The government has settled ₹ 23,276 crore to CGST and ₹ 17,681 crore to SGST from IGST as regular settlement. The total revenue earned by Central Government and the State Governments after regular settlement in the month of December 2020 is ₹ 44,641 crore for CGST and ₹ 45,485 crore for the SGST.

In line with the recent trend of recovery in the GST revenues, the revenues for the month of December 2020 are **12% higher** than the GST revenues in the same month last year. During the month, revenues from import of goods was 27% higher and the revenues from domestic transaction (including import of services) are 8% higher that the revenues from these sources during the same month last year.

The GST revenues during December 2020 have been the highest since the introduction of GST and **it is the first time that it has crossed ₹ 1.15 lakh crore**. The highest GST collection till now was ₹ 1,13,866 crore in the month of April 2019. The revenues of April normally tend to be high since they pertain to the returns of March, which marks the end of financial year. The December 2020 revenues are significantly higher than last month's revenues of ₹ 1,04.963 crore. This is the highest growth in monthly revenues since last 21 months. This has been due to combined effect of the rapid economic recovery post pandemic and the nation-wide drive against GST evaders and fake bills alongwith many systemic changes introduced recently, which have led to improved compliance.

Till now, GST revenues have crossed ₹ 1.1 lakh crore three times since introduction of GST. This is the third month in a row in the current financial year after the economy has been showing signs or recovery post pandemic that the GST revenues have been more than ₹ 1 lakh crore. The average growth in GST revenues during the last quarter has been **7.3%** as compared to **(-) 8.2%** during the second quarter and **(-) 41.0%** during the first quarter of the financial year.

2. Key Banking Developments

21. Key Banking Developments

RBI announces On Tap Targeted Long-Term Repo Operations – Extension of Specific Sectors

As announced in the Statement on Developmental and Regulatory Policies on December 04, 2020, it has been decided to cover stressed sectors under the On Tap TLTRO Scheme, in synergy with the credit guarantee available under the Emergency Credit Line Guarantee Scheme (ECLGS 2.0) of the Government.

Accordingly, in addition to the five sectors announced under the On Tap TLTRO Scheme on October 21, 2020, the twenty-six stressed sectors notified under ECLGS 2.0 (identified by the Kamath Committee of RBI) have been brought within the ambit of the sectors eligible under the On Tap TLTRO scheme. The stipulation under ECLGS 2.0 that only entities with outstanding between ₹50 crore and ₹500 crore shall be eligible for the credit guarantee shall, however, not apply to funds availed under On Tap TLTRO.

All other terms and conditions of the scheme remain the same.

RBI announces Amendment to Master Direction (MD) on KYC – Centralized KYC Registry – Roll out of Legal Entity Template & other changes

Regulated Entities (REs) have been uploading the KYC data pertaining to all individual accounts opened on or after January 1, 2017 on to CKYCR in terms of the provisions of the Prevention of Money Laundering (Maintenance of Records) Rules, 2005. Changes to the template, as and when required are released by CERSAI after consulting the Reserve Bank.

2. As the CKYCR is now fully operational for individual customers, it has been decided to extend the CKYCR to Legal Entities (LEs). Accordingly, REs shall upload the KYC data pertaining to accounts of LEs opened on or after April 1, 2021, on to CKYCR in terms of Rule 9 (1A) of the PML Rules. The LE Template and the Annex thereof can be accessed in enclosed file as Annex A and Annex B respectively. The LE Template would be released by CERSAI well in advance so that REs start using it from the notified date. REs shall also ensure that in case of accounts of LEs opened prior to April 1, 2021, the KYC records are uploaded on to CKYCR during the process of periodic updation as specified in Section 38 of the Master Direction, or earlier when the updated KYC information is obtained/received from the customer in certain cases. REs shall ensure that during periodic updation, the customers' KYC details

are migrated to current Customer Due Diligence (CDD) standards.

3. In order to ensure that all existing KYC records of individual customers are incrementally uploaded on to CKYCR, REs shall upload the KYC data pertaining to accounts of individuals opened prior to January 01, 2017, at the time of periodic updation as specified in Section 38 of the Master Direction, or earlier when the updated KYC information is obtained/received from the customer in certain cases. REs shall ensure that during periodic updation, the customers' KYC details are migrated to current CDD standard.

4. Where a customer, for the purpose of establishing an account based relationship, submits a KYC Identifier to a RE, with an explicit consent to download records from CKYCR, then such RE shall retrieve the KYC records online from CKYCR using the KYC Identifier and the customer shall not be required to submit the same KYC records or information or any other additional identification documents or details, unless –

i. there is a change in the information of the customer as existing in the records of CKYCR;
ii. the current address of the customer is required to be verified;
iii. the RE considers it necessary in order to verify the identity or address of the customer, or to perform enhanced due diligence or to build an appropriate risk profile of the client.

5. Once KYC Identifier is generated by CKYCR, the REs shall ensure that the same is communicated to the individual/legal entity as the case may be.

6. The Master Direction on KYC dated February 25, 2016, is hereby updated to reflect the changes effected by the above amendment and shall come into force with immediate effect.

IFSCA permits Banking Units to transfer of assets through participation agreements

The International Financial Services Centres Authority (IFSCA) today allowed Banking Units (BUs) to transfer assets to/from other financial institutions, persons resident in India and persons resident outside India through any internationally recognised standard risk participation agreement.

Transfer of assets through the risk participation agreement route is a common practice in many jurisdictions especially in the field of trade finance. Such risk participation is undertaken as a bilateral contract under a standard document called a risk participation agreement between the two institutions (buying and selling entity). One of the common standard risk participation agreement is the Master Risk Participation Agreement (MRPA) developed by the Bankers Association for Finance and Trade (BAFT).

The above dispensation is expected to encourage risk participation of foreign currency assets through BUs in IFSC instead of banks in foreign jurisdictions.

RBI announces Operationalisation of Payments Infrastructure Development Fund (PIDF) Scheme

This is in reference to the Statement on Developmental and Regulatory Policies dated October 4, 2019 and the Press Release dated June 05, 2020 announcing creation of Payments Infrastructure

Development Fund (PIDF). PIDF is intended to subsidise deployment of payment acceptance infrastructure in Tier-3 to Tier-6 centres with special focus on North-Eastern States of the country. It envisages creating 30 lakh new touch points every year for digital payments.

The framework of PIDF is enclosed (Annex – I). An Advisory Council (AC), under the Chairmanship of the Deputy Governor, RBI, has been constituted for managing the PIDF. PIDF will be operational for a period of three years from January 01, 2021 and may be extended for two more years depending upon the progress. PIDF presently has a corpus of ₹ 345 crore (₹ 250 crore contributed by RBI and ₹ 95 crore by the major authorised card networks in the country).

All stakeholders are requested by RBI to co-operate in this endeavour by – (a) making their contributions to PIDF within the timelines, and (b) deploying acceptance infrastructure and seeking reimbursement from PIDF.

These directions are issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

RBI issues Introduction of Legal Entity Identifier for Large Value Transactions in Centralised Payment Systems

The Legal Entity Identifier (LEI) is a 20-digit number used to uniquely identify parties to financial transactions worldwide. It was conceived as a key measure to improve the quality and accuracy of financial data systems for better risk management post the Global Financial Crisis. LEI has been introduced by the Reserve Bank in a phased manner for participants in the over the counter (OTC) derivative and non-derivative markets as also for large corporate borrowers.

It has now been decided to introduce the LEI system for all payment transactions of value ₹50 crore and above undertaken by entities (non-individuals) using Reserve Bank-run Centralised Payment Systems viz. Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT).

In preparation for the wider introduction of LEI across all payment transactions, member banks should:

i. advise entities who undertake large value transactions (₹50 crore and above) to obtain LEI in time, if they do not already have one;
ii. include remitter and beneficiary LEI information in RTGS and NEFT payment messages (details of the identified fields in the messaging structures of RTGS and NEFT for inclusion of LEI information are at Annex-enclosed);
iii. maintain records of all transactions of ₹50 crore and above through RTGS and / or NEFT.

Entities can obtain LEI from any of the Local Operating Units (LOUs) accredited by the Global Legal Entity Identifier Foundation (GLEIF), the body tasked to support the implementation and use of LEI. In India, LEI can be obtained from Legal Entity Identifier India Ltd. (LEIL) (https://www.ccilindia-lei.co.in), which is also recognised as an issuer of LEI by the Reserve Bank under the Payment and Settlement

Conclusions

The series of stimulus announcements by the Government in last 9 months under the AatmaNirbhar Bharat Abhiyaan 1.0, 2.0 and 3.0 along with the calibrated measures undertaken by the RBI have pulled the economy from the lows of Q1 FY 2020-21 (-) 23.9% to the overall growth estimate of (-)7.7% in FY 2020-21. The continuous improvement in the broad economic and business indicators reflect that the worst is behind us.

At this juncture, to continue the recovery momentum of economic and business activity, immediate policy attention is required towards credit access to industry and services sectors. Credit disbursement should be the top most priority at this juncture by the banking sector. The focus should be on ensuring provision of hassle free disbursements of loans vis-à-vis enhanced liquidity for MSMEs, especially in rural sectors.

Going ahead, demand creation will have a multiplier effect on enhanced production possibilities, expansion of employment in factories, expansion of capital investments and overall virtuous circle of growth and development of Indian economy. The increased spending on infrastructure will give a multiplier effect to rejuvenate the aggregate demand in the economy and to mitigate the daunting impact of COVID-19 on the economy.

Also, there is a need to lower interest rates for consumers and businesses, lesser compliances for MSMEs and a lower tax regime to increase the personal disposable income of the people.

The focus should be on providing competitive edge to the domestic businesses by enhancing Ease of Doing Business and simultaneously reducing the Cost of Doing Business in the country including the costs of capital, costs of compliances, costs of logistics, costs of land and availability of land and costs of labour.

Continuous facilitation of industry and further effective implementation of reforms at the grassroot level with enhanced synchronization between Central and State Governments would be crucial for fruitful outcomes going forward.

NATIONAL APEX CHAMBER

India: Statistical snapshot

Indicators	FY16	FY17	FY18	FY19	FY20	FY21
GDP at FC - Constant prices (Rs cr)	11381002	12189854	13010843##^	14077586##&	14565951 ++&	13439662[1]
GDP at FC-Constant prices growth YOY (%)	8*	7.1@#	6.7 ##^	6.8##&	4.2++&	(-)7.7[1]
Agriculture growth	0.7*	4.9@#	3.4 ##^	2.9##&	4.0++&	3.4[1]
Industry growth	8.2	5.8@#	5.5 ##^	6.9##&	0.9++&	-
Services growth	7.9	7.9@#	7.9 ##^	7.5##&	7.7++&	-
Consumption (% YOY)	-	-	-	-	-	-
Private consumption (% YOY)	7.3	7.2	-	-	-	-
Gross domestic savings as % of GDP	-	-	-	-	-	-
Gross Fixed Capital Formation as % of GDP	31.2	29.5	7.6##^	-	-	-
Gross fiscal deficit of the Centre as a % GDP	3.9	3.5	3.5@*	3.4^**	3.8^*	3.5[2]
Gross fiscal deficit of the states as a % GDP	-	-	-	-	-	-
Gross fiscal deficit of Centre & states as a % GDP	-	-	-	-	-	-
Merchandise exports (US$Bn)	261.14	274.64	29.11&&$	331^^**	313	23^^^^
Growth in exports (%)	(-)15.9	4.7	(-)0.66&&$	9^^**	(-)5.1	(-)9^^^^
Imports (US$Bn)	379.59	380.37	42.80&&$	507^^**	475	33^^^^
Growth in imports (%)	(-)15.3	(-)0.17	7.15&&$	9^^**	(-)7.7	(-)13^^^^
Trade deficit (US$Bn)	118.46	46.42	13.69&&$	176^^**	162	10^^^^
Net invisibles US$Bn	107.9^^	-	-	-	-	-
Current account deficit as % of GDP	1.1^^	0.7^^*	1.9	2.1	0.9	2.4[3]
Net capital account US$Bn	23.2	14.9^^*	-`	-	-	-
Overall balance of payments US$Bn	-	-	-	-	-	-
Foreign exchange reserves US$Bn	355.56~~	367.9~~~	424.36~~$	421&&$$	581 ~~~	581~~~
External debt - Short term US$Bn	83.6&&&	88^^*	97.6&^	-	-	-
External debt - Long term US$Bn	398.6&&&	383.9^^*	415.8&^	-	-	-
External debt - US$Bn	480.18&&&	472^^*	513.4 &^	-	-	-
Bank credit growth	9~~~~	7^^	8.2**	12 &&$$	6.8[4]	6.0^^^^
WPI inflation	(-)0.85^^^	1.33	2.47&&$	4.31^^**	1.75	1.6^^^^
CPI inflation	4.83^^^	4.5	4.28&&$	3.4^^**	6.7	6.9^^^^
Exchange rate Rs/US$ annual average	66.43@@	64.39^^	65.04@@$	68.37^^**	74.11	73.32@@@

Handbook of Statistics of Indian Economy 2014 -15 from RBI, “’ Data pertains to Annual Report of RBI 2013 -14, *@Data pertains to Budget Estimates of 2017-18, ’’ Data pertains to GVA at Basic Prices at constant prices for Q3 2015 -16, ”’Data pertains to the new Series Estimates from economic survey 2014-15. ^^Data pertains to India’s Balance of payment for 2015 -16 from RBI, ^^^Data pertains to March 2016, ``India’s external debt end Dec 2013 from RBI, ``` Data pertains to end Dec 2014 from RBI, # Data pertains to Mar 2013, ~ Data pertains to 2014 -15 from the Economic Survey,^^* Data pertains to FY 2016-17 ~~Data as on week ending 25th March 2016 from RBI, ~~~ Data as on 25 December 2020 from RBI, && Data pertains to March 2015, &&& External debt at end December 2015 (Quick Estimates), @@ Data pertains to 13th April 2016 from RBI, @@@ Data as on 7 January 2021 from RBI, &&&& Y-o-Y Growth of Money Supply, 2015-16 from RBI. # Data pertains to end March 2017, compiled from RBI, ** Bank credit growth as on March 2018 &&^ as on June 2018. @# GDP growth and agriculture growth is as per Provisional Estimates of Annual National Income, 2016 -17 and Industry and service growth is from Office of economic advisor, #*^Data pertains to Q3 2017-18, ##^ Data pertains to Provisional estimates of GDP for 2017 -18, ^* pertains to the Estimates for FY2020, @* data pertains to budget estimates of 2018-19, &^ pertains to data at end December 2017, &&$data pertains to March 2018, @@$ data as on March 28, 2018, ~~$ Data as on end March 2018 from RBI, &&^ as on 16 March 2018, +&Data pertains to Quarterly Estimates of 2Q FY 2019-20, %$##Data pertains to 12th April 2019, +&&Data pertains Provisional Estimates of FY2020 ; ++&Data pertains to quarterly Estimates of 2QFY2021; ##&Data pertains to provisional estimates of 2018-19; &&$$data pertains to March 2019Source: PHD Research Bureau, PHDCCI compiled from various sources, *Data pertains to Provisional Estimates of Annual National Income 2016-17 from MOSPI, ^^**data pertains to FY18-19; ^** Revised Estimates 2018-19; ^^^^ data pertains to November 2020; ^^^ data pertains to March 2020; ^^^^^ data pertains to September 2020; [1] data pertains to 1st Advance Estimates of FY2021; [2] data pertains to Budget Estimate of FY2021; [3] data pertains to Q2 FY2021; [4] data pertains to March 2020

PHD Research Bureau

PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was constituted in 2010 with the objective to review the economic situation and policy developments at sub-national, national and international levels and comment on them in order to update the members from time to time, to present suitable memoranda to the government as and when required, to prepare State Profiles and to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. The Research Bureau has undertaken various policy studies for Government of India and State Governments.

Research Activities	Comments on Economic Developments	Newsletters	Consultancy
• Research Studies	• Global Economic Developments	• Economic Affairs Newsletter (EAC)	• Trade and Investment Facilitation Services (TIFS)
• State Profiles	• India's Economic Developments	• Forex and FEMA Newsletter	
• Impact Assessments	• States' Economic Developments	• Global Economic Monitor (GEM)	
• Thematic Research Reports	• International Developments	• Trade & Investment Facilitation Services (TIFS) Newsletter	
• Releases on Economic Developments	• Financial Markets	• State Development Monitor (SDM)	
	• Foreign exchange market	• Industry Development Monitor (IDM)	
	• Developments in International Trade		

Studies Undertaken by PHD Research Bureau

A: Thematic research reports

1. Comparative study on power situation in Northern and Central states of India (September2011)
2. Economic Analysis of State (October 2011)
3. Growth Prospects of the Indian Economy, Vision 2021 (December 2011)
4. Budget 2012-13: Move Towards Consolidation (March 2012)
5. Emerging Trends in Exchange Rate Volatility (Apr 2012)
6. The Indian Direct Selling Industry Annual Survey 2010-11 (May 2012)
7. Global Economic Challenges: Implications for India (May 2012)
8. India Agronomics: An Agriculture Economy Update (August 2012)
9. Reforms to Push Growth on High Road (September 2012)
10. The Indian Direct Selling Industry Annual Survey 2011-12: Beating Slowdown (March 2013)
11. Budget 2013-14: Moving on reforms (March 2013)
12. India- Africa Promise Diverse Opportunities (November 2013)
13. India- Africa Promise Diverse Opportunities: Suggestions Report (November 2013)
14. Annual survey of Indian Direct Selling Industry-2012-13 (December 2013)
15. Imperatives for Double Digit Growth (December 2013)
16. Women Safety in Delhi: Issues and Challenges to Employment (March 2014)
17. Emerging Contours in the MSME sector of Uttarakhand (April 2014)
18. Roadmap for New Government (May 2014)
19. Youth Economics (May 2014)
20. Economy on the Eve of Union Budget 2014-15 (July 2014)
21. Budget 2014-15: Promise of Progress (July 2014)
22. Agronomics 2014: Impact on economic growth and inflation (August 2014)
23. 100 Days of new Government (September 2014)
24. Make in India: Bolstering Manufacturing Sector (October 2014)
25. The Indian Direct Selling Industry Annual Survey 2013-14 (November 2014)
26. Participated in a survey to audit SEZs in India with CAG Office of India (November 2014)
27. Role of MSMEs in Make in India with reference to Ease of Doing Business in Ghaziabad (Nov 2014)
28. Exploring Prospects for Make in India and Made in India: A Study (January 2015)
29. SEZs in India: Criss-Cross Concerns (February 2015)
30. Socio-Economic Impact of Check Dams in Sikar District of Rajasthan (February 2015)
31. India - USA Economic Relations (February 2015)
32. Economy on the Eve of Union Budget 2015-16 (February 2015)
33. Budget Analysis (2015-16)
34. Druzhba-Dosti: India's Trade Opportunities with Russia (April 2015)
35. Impact of Labour Reforms on Industry in Rajasthan: A survey study (July 2015)
36. Progress of Make in India (September 2015)
37. Grown Diamonds, A Sunrise Industry in India: Prospects for Economic Growth (November 2015)
38. Annual survey of Indian Direct Selling Industry 2014-15 (December 2015)
39. India’s Foreign Trade Policy Environment Past, Present and Future (December 2015)
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At a Global level we have been working with the Embassies and High Commissions in India to bring in the International Best Practices and Business Opportunities.

Seven Thrust Areas

- Industrial Development
- Infrastructure
- Housing
- Health
- Education and Skill Development
- Agriculture and Agribusiness
- Digital India

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