

Weekly Compendium of Research

For the week ending 3rd May 2019

PHD Research Bureau disseminated information to members of PHD Chamber & other industry stakeholders on various economic and business developments at International, National and Sub-national arena such as Core Infra for the month of March 2019, GST Revenue collection for the month of April 2019, Advance release of funds from SDRF to various State Governments, setting up of a Centre of Excellence for Waste to Wealth Technologies, notification of Exchange Rate of conversion of the Foreign Currencies relating to Imported and Export Goods, among others. The details of disseminated information during the week ending 3rd May 2019 are appended.

India and World Economy

- **March 2019 core infra grows at 4.7%**- The core infrastructure grows at 4.7% in March 2019 as against 2.2% in February 2019. The combined Index of Eight Core Industries stood at 145.0 in March, 2019, which was 4.7% higher as compared to the index of March, 2018. Its cumulative growth during April to March, 2018-19 was 4.3%.
- **GST Revenue collection for April, 2019 recorded highest collection since GST implementation**- The total gross GST revenue collected in the month of April, 2019 is Rs 1,13,865 crore of which CGST is Rs 21,163 crore, SGST is Rs 28,801 crore, IGST is Rs 54,733 crore (including Rs 23,289 crore collected on imports) and Cess is Rs 9,168 crore (including Rs 1,053 crore collected on imports). The total number of GSTR 3B Returns filed for the month of March up to 30th April, 2019 is 72.13 lakh.
- **Advance release of funds from SDRF to State Governments of Andhra Pradesh, Odisha, Tamil Nadu and West Bengal**- Based on the decision of National Crisis Management Committee (NCMC), Ministry of Home Affairs has ordered for advance release of financial assistance of Rs 1086 crore to 4 States (i.e. Rs 200.25 cr – for Andhra Pradesh + Rs 340.875 cr – for Odisha + Rs 309.375 cr – for Tamil Nadu + Rs 235.50 cr – for West Bengal), to their State Disaster Response Fund (SDRF) to assist them in undertaking preventive and relief measures in response to cyclonic storm 'FANI'.
- **Government and IIT-Delhi to set up a Centre of Excellence for Waste to Wealth Technologies**- The Office of the Principal Scientific Adviser (PSA) to the Government of India and Indian Institute of Technology Delhi (IIT Delhi) have come together to commemorate the 150th birth anniversary of Mahatma Gandhi and to bring the best of science and technology to implement waste management in India. The immediate objective is to implement technologies that are available with various national and international academies, industries, research laboratories and other agencies by way of setting up pilot projects on-site effectively and successfully, and demonstrating the proof of concept of the technology under Indian condition.

Trade

- **Exchange Rate of conversion of the Foreign Currencies relating to Imported and Export Goods**- The Central Board of Indirect Taxes and Customs (CBIC) determines the Rate of Exchange of conversion of each of the Foreign Currencies specified in Column (2) of each of Schedule I and Schedule II.

Our Voice

Despite the global headwinds, the Indian economy continues to remain bright spot in the global ecosystem. Various organizations have anticipated India's growth rate to clock around 7.5%. The core infra registered a growth of 4.7% in March 2019 from 2.2% in February 2019. Further, the GST Revenue collection for April, 2019 recorded highest collection since GST implementation. It is expected that the growth momentum would continue and India would scale new heights in the coming times.

Economy so far

- **Government hikes customs duty on wheat to 40% to curb imports, protect industry-** The Government has hiked the customs duty on wheat to 40 per cent from 30 per cent to curb imports and protect the domestic industry. The Government wants to restrict overseas purchase so that domestic prices of wheat do not come under pressure as the country's wheat output is expected to scale a record high this year. The Central Board of Indirect Taxes and Customs (CBIC), through a notification, has hiked the basic customs duty (BCD) on wheat to 40 per cent.
- **CBDT and GSTN sign pact to nab evaders, reduce black money generation-** To nab tax evaders and reduce black money generation, the income tax department and Goods and Services Tax Network (GSTN) signed an agreement to facilitate exchange of data between the two. The I-T department will share key financial information, including status of I-T return filings, turnover of business, gross total income, and turnover ratio among others with GSTN, the information technology backbone of the two-year-old indirect tax regime.
- **India ready to deal with impact of US sanctions on Iran-** India is ready to deal with the impact of U.S. sanctions against Iran and will get extra supplies from other oil producing countries to compensate for loss of Iranian oil, Foreign Ministry Spokesman Shri Raveesh Kumar has said.
- **Ujjwala scheme boosts India's LPG consumption to a record high in FY19-** India's demand for liquefied petroleum gas (LPG) rose to a record in the fiscal year ended in March amid Government measures to provide cleaner cooking fuel to rural households, and analysts expect consumption to keep rising.
- **Government notifies taking over of NHB from RBI -** The Government has issued a notification taking over the National Housing Bank (NHB) after buying entire stake for Rs 1,450 crore from the Reserve Bank of India (RBI). The RBI has exited the NHB, thus making it a fully government-owned entity. The central bank was holding 100 per cent stake in the NHB, the housing finance regulator.
- **India notifies pact with US to check tax evasion by MNCs-** India has notified the inter-governmental agreement with the US for exchange of country-by-country (CbC) reports on multinational companies regarding income allocation and taxes paid in order to help check cross-border tax evasion. The agreement, which was signed by Central Board of Direct Taxes Chairman Shri P C Mody and US ambassador to India Mr Kenneth Juster in March, has been notified by the revenue department.
- **Forex reserve falls by \$739 million to \$414.14 billion -** After rising for the past many weeks, India's foreign exchange reserves declined by USD 739.2 million to USD 414.147 billion in the week to April 19, RBI data has showed. In the previous week, the reserves had increased by USD 1.105 billion to touch USD 414.886 billion.
- **India's crude oil production drops 4 per cent in FY19 –** India's crude oil production fell over 4 per cent in the financial year 2018-19 after aging fields of state-owned Oil and Natural Gas Corporation(ONGC) and Oil India Ltd (OIL) missed the target, official data has showed.
- **Finance Ministry may raise cap on 59-minute loans to Rs 3-5 crore -** The Finance Ministry may consider to raise the Rs 1 crore cap under the 59-minute loan scheme to Rs 3-5 crore. According to Government officials, the cap will be raised in a gradual manner. The 59-minute loan scheme was launched late last year for the benefit of micro, small and medium enterprises (MSMEs).
- **Finance Ministry brings in changes in e-way bill system to check GST evasion -** The Finance Ministry has introduced changes in the e-way bill system, including auto calculation of distance based on PIN codes for generation of e-way bill and blocking generation of multiple bills on one invoice, as it seeks to crack down on GST evaders.
- **Government extends ban on import of milk products from China -** The Government has extended the ban on import of milk and its products, including chocolates, from China till laboratories at ports for testing presence of toxic chemical melamine are upgraded. The ban was first imposed in September 2008 and extended subsequently from time to time.

Markets so far

Indicators	Yearly			Monthly			Daily		
	2016	2017	2018	Feb 19	Mar 19	Apr 19	(30-4-2019)	(2-5-2019)	(3-5-2019)
BSE SENSEX	26626	34057	36068	35867.4	38673	39,031*	39,031	38,981	38,963
GOLD (10 GRMS)	29420	28966	30600	33211.8	32036	31648	31,723	31,310	31,220
CRUDE OIL (1 BBL)	2925	3317	4437	3906.4	4040	4420	4,440	4,442	4,298
EXCHANGE RATE (INR/USD)	67	65	68	71.2	69.47	69.4	69.5	69.3	69.2

Source: PHD Research Bureau, compiled from BSE, MCX and Bloomberg, RBI (* denotes value as on 30th Apr 2019)

Newsletters

PHD Research Bureau has released newsletters pertaining to a broad view of developments in the Indian economy, State Development Monitor to provide information on recent developments in the states and Compendium of Activities under Trade and Investment Facilitation Services (TIFS).

[EAC for the month of April 2019](#)



[SDM for the month of April 2019](#)



Compendium of Activities under TIFS



PHD Research Bureau Subscription Opportunities

- **PHD Research Bureau Subscription Opportunities:** PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was established 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. Subscribers of PHD Research Bureau would receive daily updates on various international, national and sub-national business and economic developments, monthly newsletters related to international, national and sub-national economy, forex markets and trade and investments, analytical information on various developments, etc.

Warm Regards,

Dr S P Sharma

Chief Economist

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016, India

Tel: +91 49545454

Fax: +91 11 26855450

Email: spsharma@phdcci.in

Website: www.phdcci.in

Follow us on



"Towards an Inclusive & Prosperous India"



PHD CHAMBER OF COMMERCE AND INDUSTRY

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

Connect with us:



COPYRIGHT: All rights reserved. No part of this publication/Release may be reproduced, distributed, or transmitted in any form or by any means, without the prior written permission of the publisher. For permission requests, write to the publisher.

DISCLAIMER: This message and its attachments contain confidential information. If you are not the intended recipient, you are strictly prohibited to disclose, copy, distribute or take any action in reliance on the contents of this information. E-mail transmission cannot be guaranteed to be secure or error-free, as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version.