



# The Cochin Chamber of Commerce & Industry

Dear Member,

With an aim to provide you with information and guidance regularly and to help you make informed decisions, the Chamber presents its analysis on recent subjects.

## Estimates of Gross Domestic Product for the Second Quarter (July-September) of 2020-21



The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation has released the estimates of Gross Domestic Product (GDP) for the second quarter (July-September) Q2 of 2020-21, both at Constant (2011-12) and Current Prices, along with the corresponding quarterly estimates of expenditure components of the GDP.

2. GDP at Constant (2011-12) Prices in Q2 of 2020-21 is estimated at Rs. 33.14 lakh crore, as against Rs. 35.84 lakh crore in Q2 of 2019-20, showing a contraction of 7.5 percent as compared to 4.4 percent growth in Q2 2019-20. Quarterly GVA at Basic Prices at Constant (2011-12) Prices for Q2 of 2020-21 is estimated at Rs.30.49 lakh crore, as against Rs. 32.78 lakh crore in Q2 of 2019-20, showing a contraction of 7.0 percent.

3. GDP at Current Prices for Q2 2020-21 is estimated at Rs. 47.22 lakh crore, as against Rs. 49.21 lakh crore in Q2 2019-20, showing a contraction of 4.0 percent as compared to 5.9 percent growth in Q2 2019-20. GVA at Basic Prices at Current Prices in Q2 2020-21 is estimated at Rs.42.80 lakh crore, as against Rs.44.66 lakh crore in Q2 2019-20, showing a contraction of 4.2 percent.

4. GDP at Constant (2011-12) Prices for H1 (April-September) 2020-21 is estimated at Rs. 60.04 lakh crore as against Rs. 71.20 lakh crores during the corresponding period of previous year, showing a contraction of 15.7 percent in H1 2020-21 as against growth of 4.8 percent during the same period last year. GDP at Current Prices for H1 2020-21 is estimated at Rs. 85.30 lakh crore as against Rs. 98.39 lakh crores during the corresponding period of previous year, showing a contraction of 13.3 percent in H1 2020-21 as against growth of 7.0 percent during the same period last year.

5. Estimates of GDP along with GVA at Basic Prices by kind of economic activity, Expenditures on GDP at Constant (2011-12) and Current Prices for Q2 2018-19 to 2020-21 and H1 2018-19 to 2020-21, are given in Statements 1 to 8.
6. The Second quarter estimates are based on First Advance Estimates of agricultural production during Kharif season of 2020-21 obtained from the Department of Agriculture, Cooperation & Farmers' Welfare, estimates of production of major livestock products viz, Milk, Egg, Meat and Wool for Livestock Sector obtained from the Department of Animal Husbandry & Dairying and Fish production data from the Department of Fisheries.
7. Index of Industrial Production (IIP); monthly accounts of Union Government Expenditure maintained by Controller General of Accounts (CGA) and of State Government expenditure maintained by Comptroller and Auditor General of India (CAG) for the period July-September 2020-21 have been used. Performance of key sectors like Transport including Railways, Road, Air and Water Transport etc., Communication, Banking and Insurance during the period July-September 2020-21 and the performance of corporate sector during July-September 2020-21 based on data received from BSE/NSE has been taken into account while compiling the estimates.

(Source: PIB, GoI)

## Decisions taken by Union Cabinet



*[Click here to view the Decisions taken by the Union Cabinet.](#)*

## Ministry of Ports, Shipping and waterways issues Draft Merchant Shipping Bill, 2020 for Public Consultation

### **New Bill aims to repeal and replace the Merchant Shipping Act, 1958**

The Ministry of Ports, Shipping and Waterways has issued a draft of the Merchant Shipping Bill, 2020 for public consultation. It aims to repeal and replace the Merchant Shipping Act, 1958 (Act No. 44 of 1958) and the Coasting Vessels Act, 1838 (Act No. 19 of 1838).

The Merchant Shipping Bill, 2020 has been drafted with the primary aim of promoting the growth of

the Indian shipping industry by incorporating the best practices adopted by other advanced countries like the U.S., Japan, U.K., Singapore and Australia. All up-to-date IMO Conventions / protocols, to which India is a party, have been adopted in it. Adequate provisions are incorporated to ensure the safety and security of vessels, safety of life at sea, prevent marine pollution, provide for maritime liabilities and compensations, and ensure comprehensive adoption of India's obligations under International Conventions.



Polity & Governance

27<sup>th</sup> Nov'20

**Govt issues draft of Merchant Shipping Bill, 2020 for public consultation**

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- It aims to repeal and replace the Merchant Shipping Act, 1958 and the Coasting Vessels Act, 1838.
- Merchant Shipping Bill, 2020 has been drafted, with the primary aim of promoting the growth of the Indian shipping industry by incorporating the best practices adopted by other advanced countries like the U.S., Japan, U.K., Singapore & Australia.

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The envisioned advantages of the Merchant Shipping Bill, 2020 are following:

- *Promoting ease of doing business*- The Bill does away with requirement of general trading license for Indian vessels
- *Embracing digital technology*- It enables electronic means of registration, and grants statutory recognition to electronic agreements, records, and log books, in addition to electronic licenses, certificates and payments.
- *Increasing tonnage and Vessel as a Tradable Asset*-The Bill seeks to increase India's tonnage by widening the eligibility criteria for ownership of vessels and providing for the registration of bareboat charter cum demise, thereby increasing opportunities for international trade.

- *India as a Bankable Shipping Jurisdiction & avoidance of situations leading to wreck* -The proposed Bill seeks to introduce for the first-time statutory framework for regulating maritime emergency response against maritime incidents. The provisions seek to provide for time effective implementation of response mechanisms in order to ensure that the same is prevented from becoming a wreck or other catastrophic event.
- *Welfare of Indian seafarers on abandoned vessels and safety of abandoned vessels*: Provisions for repatriation of abandoned seafarers have been enhanced, in line with the MLC regulations.
- *Strengthening adjudication and predictability of claims*: In order to strengthen the investigation and adjudication of claims arising out of collision of vessels, assessors may be tasked by the High Courts to present their findings on the degrees of fault of each vessel.
- *India as an Active Enforcement Jurisdiction*- The Bill incorporates powers of the Director-General to take action against vessels that are unsafe, and pose a threat to safety of life at sea

and environment, and includes a procedure for appeal from detention orders. The Bill also incorporates provisions that encourage active enforcement of pollution prevention standards and the Central Government has been granted the power to mandate compulsory insurance or such other financial security, for pollution damage.

The Bill seeks to provide increased opportunities for investment and provide greater impetus to a self-reliant domestic investment climate in the maritime industry. The provisions regulating the maritime education, training, certification and the recruitment and placement of seafarers and ease of registration of ships under the Indian flag will give an impetus to the quality and quantity of Indian seafarers. Consequently, it will boost employment opportunities for Indian seafarers in the national and international market. The benefits will be extended to ancillary sectors connected with the shipping industry in consonance with 'Atmanirbhar Bharat' initiatives of the government.

The draft of the Merchant Shipping Bill, 2020 is issued for seeking the feedback and suggestions from the public. This can be accessed on the link: *Draft Merchant Shipping Bill, 2020* and suggestions can be sent to [msbill2020@gmail.com](mailto:msbill2020@gmail.com) by 24.12.2020.

It has been a priority of Prime Minister Shri Narendra Modi's government to replace all archaic colonial laws with modern and contemporary International laws with active participation of people to enhance transparency in the governance. For the same, Ministry of Ports, Shipping and Waterways recently issued two draft Bills for public consultation, namely 'Aids to Navigation Bill 2020' and 'Coastal Shipping Bill 2020' and now this historical 'Draft Merchant Shipping Bill 2020' is being issued, within a short span of time of four months. Moreover, Major Port Authorities Bill 2020 is also under consideration of Rajya Sabha, which has been already passed by Lok Sabha in the last Parliament session. All these Bills are going to generate sweeping waves in the maritime scenario moving India towards a fully developed maritime economy.

(Source: PIB, GoI)

## **Index of Eight Core Industries (Base: 2011-12=100) for October, 2020**

The Office of Economic Adviser, Department for Promotion of Industry and Internal Trade is releasing Index of Eight Core Industries for the Month of October, 2020.

2. The combined Index of Eight Core Industries stood at 124.2 in October, 2020, which declined by 2.5 (provisional) per cent as compared to the Index of October, 2019. Its cumulative growth during April to October, 2020-21 has been (-) 13.0%.

3. Final growth rate of Index of Eight Core Industries for July'2020 is revised to (-) 7.6%. The Eight Core Industries comprise 40.27 per cent of the weight of items included in the Index of Industrial Production (IIP).



4. Monthly growth rates of Index of Eight Core Industries (Overall) is depicted in the graph:

5. The summary of the Index of Eight Core Industries is given below:

**Coal-** Coal production (weight: 10.33 per cent) increased by 11.6 per cent in October, 2020 over October, 2019. Its cumulative index declined

by 3.6 per cent during April to October, 2020-21 over corresponding period of the previous year.

**Crude Oil-**Crude Oil production (weight: 8.98 per cent) declined by 6.2 per cent in October, 2020 over October, 2019. Its cumulative index declined by 6.1 per cent during April to October, 2020-21 over the corresponding period of previous year.

**Natural Gas-** The Natural Gas production (weight: 6.88 per cent) declined by 8.6 per cent in October, 2020 over October, 2019. Its cumulative index declined by 12.5 per cent during April to October, 2020-21 over the corresponding period of previous year.

**Refinery Products-** Petroleum Refinery production (weight: 28.04 per cent) declined by 17.0 per cent in October, 2020 over October, 2019. Its cumulative index declined by 16.4 per cent during April to October, 2020-21 over the corresponding period of previous year.

**Fertilizers-**Fertilizers production (weight: 2.63 per cent) increased by 6.3 per cent in October, 2020 over October, 2019. Its cumulative index increased by 4.1 per cent during April to October, 2020-21 over the corresponding period of previous year.

**Steel-**Steel production (weight: 17.92 per cent) declined by 2.7 per cent in October, 2020 over October, 2019. Its cumulative index declined by 22.8 per cent during April to October, 2020-21 over the corresponding period of previous year.

**Cement-**Cement production (weight 5.37 per cent) increased by 2.8 per cent in October, 2020 over October, 2019. Its cumulative index declined by 21.3 per cent during April to October, 2020-21 over the corresponding period of previous year.

**Electricity-** Electricity generation (weight: 19.85 per cent) increased by 10.5 per cent in October,

2020 over October, 2019. Its cumulative index declined by 5.6 per cent during April to October, 2020-21 over the corresponding period of previous year.

(Source: PIB, GoI)

## Joint Statement on the India-Luxembourg Virtual Summit



*Click here to view the Joint Statement on the India- Luxembourg Virtual Summit and the List of Agreements acknowledged on the occasion of India-Luxembourg Virtual Summit.*

## Monthly Review of Accounts of Union Government of India upto the month of October, 2020 for the Financial Year 2020-2

The Monthly Account of the Union Government of India upto the month of October, 2020 has been consolidated and reports published. The highlights are given below:-

The Government of India has received Rs.7,08,300 crore (31.54% of corresponding BE 2020-21 of Total Receipts) upto October, 2020 comprising Rs. 5,75,697 crore Tax Revenue (Net to Centre), Rs.1,16,206 crore of Non Tax Revenue and Rs.16,397 crore of Non Debt Capital Receipts. Non Debt Capital Receipts consists of Recovery of Loans (Rs.10,218 crore) and Disinvestment proceeds (Rs.6,179 crore).

Rs.2,97,174 crore has been transferred to State Governments as Devolution of Share of Taxes by Government of India upto this period which is Rs.69,697 crore lower than the previous year.

Total Expenditure incurred by Government of India is Rs.16,61,454 crore (54.61% of corresponding BE 2020-21), out of which Rs.14,64,099 crore is on Revenue Account and Rs.1,97,355 crore is on Capital Account. Out of the Total Revenue Expenditure, Rs.3,33,456 crore is on account of Interest Payments and Rs.1,85,400 crore is on account of Major Subsidies.

(Source: PIB, GoI)

## Government of India blocks 43 mobile apps from accessing by users in India



The Ministry of Electronics and Information Technology, Government of India issued an order under section 69A of the Information Technology Act blocking access to 43 mobile apps. This action was taken based on the inputs regarding these apps for engaging in activities which are prejudicial to sovereignty and integrity of India, defence of India, security of state and public order. Ministry of Electronics and Information Technology has issued

the order for blocking the access of these apps by users in India based on the comprehensive reports received from Indian Cyber Crime Coordination Center, Ministry of Home Affairs.

Earlier on 29th June, 2020 the Government of India had blocked access to 59 mobile apps and on 2nd September, 2020 118 more apps were banned under section 69A of the Information Technology Act. Government is committed to protect the interests of citizens and sovereignty and integrity of India on all fronts and it shall take all possible steps to ensure that.

*[Click here to view the List of apps that have been blocked for access in India.](#)*

(Source : PIB, GoI)

## Shri Piyush Goyal has called upon the Indian industry to focus on improving Quality and Productivity

The Union Commerce and Industry Minister Shri Piyush Goyal has called upon the Indian industry to focus on improving Quality and Productivity. Interacting with the Office bearers of various industry associations, he called upon them to designate a few days next month, to do brainstorming on these aspects so that the Country starts getting recognition as high quality, efficient manufacturer, trader and service-provider. The Minister said that this could be done sectorally or regionally, so that there is knowledge sharing among the stakeholders, and these two aspects are focussed. Shri Goyal said that the results of the second quarter of major companies show that profitability of most of them has gone up, indicating that the Indian industry has utilized the Covid period to do the belt-tightening, improve the product-mix, and focus on quality and productivity. Calling upon the industry's support to take them into mission-mode, Shri Goyal said that Quality and Productivity can help in converting the crisis into an opportunity.

Shri Goyal said that the Indian industry has shown resilience and confidence during the difficult times, which has helped the country fight the pandemic. He said that the economy is showing strong signals of comeback, and even in the international arena, India's reputation has gone by several notches and it is being seen as a trusted partner. He expressed confidence that India will make up for the time, and emerge stronger and victorious. The Minister said that the ecosystem will change, and India will be able to engage with the world from the position of strength and in equitable terms. He told the gathering, to continue to maintain health precautions, as relaxations at this stage can create problems. The Minister said that the Government has taken note of the suggestions of the Industry associations, and appropriate response will be made, after their proper examination by various departments.

The meeting with the industry associations is part of the series of consultations held by the Minister with them since the outbreak of Covid-19 pandemic. During the previous interactions, a lot of suggestions and the feedback from the ground level were received which helped the Government in finalizing its appropriate response.

## Procedure for intimation of voluntary payment- FORM GST DRC 03



*Click here to view the Article relating to Procedure for intimation of voluntary payment – Form GST DRC 03.*

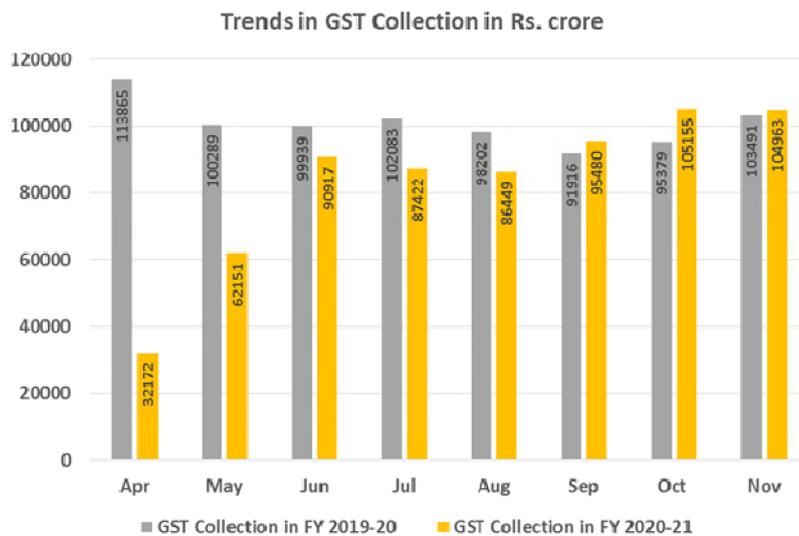
## GST Revenue collected in the month of November 2020

The gross GST revenue collected in the month of November, 2020 is Rs. 1,04,963 crore of which CGST is Rs. 19,189 crore, SGST is Rs. 25,540 crore, IGST is Rs. 51,992 crore (including Rs.22,078 crore collected on import of goods) and Cess is Rs. 8,242 crore (including Rs. 809 crore collected on import of goods). The total number of GSTR-3B Returns filed for the month of November up to 30<sup>th</sup> November 2020 is 82 lakhs.

The government has settled Rs. 22,293 crore to CGST and Rs. 16,286 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 November 2020 is Rs. 41,482 crore for CGST and Rs. 41,826 crore for the SGST.

In line with the recent trend of recovery in the GST revenues, the revenues for the month of November 2020 are 1.4% higher than the GST revenues in the same month last year. During the month, revenues from import of goods was 4.9% higher and the revenues from domestic transaction (including import of services) are 0.5% higher than the revenues from these sources during the same month last year.

The chart below shows trends in monthly gross GST revenues during the current year.



*Click here to view the table shows the state-wise figures of GST collected in each State during the month of November 2020 as compared to November 2019.*

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