



**ASSOCHAM Economic Weekly**  
**13<sup>th</sup> September, 2015**



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## 1. Macroeconomy



### 1.1 Indirect Tax Revenue Collections, August 2015

In August 2015, indirect tax revenue collections increased by 36.7% compared with August 2014; cumulatively, in April-August 2015 indirect tax collections increased by 36.5% percent over the same period last year, while, the asking rate for 2015-16 is 18.8%. Overall, in monetary terms, the indirect tax revenue (provisional) collections increased to Rs 2,63,089 crore during April-August 2015 from Rs.1,92,677 crore during April-August 2014. In the month of August 2015 alone, the collections increased to Rs.54,396 crore from Rs.39,781 crore in August 2014.

Collections on account of Central Excise increased from Rs.60,663 crore in April-August 2014 to Rs.1,02,945 crore in April-August 2015 and thereby registering an increase of 69.7 %. In case of Service Tax, collections increased from Rs. 61,693 crore in April-August 2014 to Rs. 75,006 crore in April-August 2015 and thereby registering an increase of 21.6 %. Collections on account of Customs increased from Rs. 70,321 crore in April-August 2014 to Rs. 85,138 crore in April-August 2015 and thereby registering an increase of 21.1 %.

**Table 1**  
**Indirect tax collection (Rs. in crores)**

Tax Head		Customs	*C. Excise	Service tax	Total
Actual 2014-15 (prov.)		187856	188238	168063	544157
B.E 2015-16		208336	228157	209774	646267
Asking rate (%) for 2015-16		10.9	21.2	24.8	18.8
For August	2014-15	15727	13084	10970	39781
	2015-16	19062	21190	14144	54396
	% Growth	21.2	62	28.9	36.7
	Duty 2015-16 Without #ARM	18002	14024	12144	44170
	% Growth Without #ARM	14.5	7.2	10.7	11
April to August	2014-15	70321	60663	61693	192677

	2015-16	85138	102945	75006	263089
	% Growth	21.1	69.7	21.6	36.5
	Duty 2015-16 Without #ARM	81138	66115	69006	216259
	% Growth Without #ARM	15.4	9	11.9	12.2

Source: Ministry of Finance, Govt. of India

## 1.2 Foreign Tourist Arrivals (FTAs) and Foreign Exchange Earnings (FEEs), January- August 2015

### Foreign Tourist Arrivals (FTAs):

- FTAs during the Month of August 2015 were 5.89 lakh as compared to FTAs of 5.76 lakh during the month of August 2014 and 4.86 lakh in August 2013. There has been a growth of 2.3% in August 2015 over August 2014.
- FTAs during the period January- August 2015 were 50.68 lakh as compared to the FTAs of 48.51 lakh, showing a growth of 4.5%.
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during August 2015 among the top 15 source countries was highest from Bangladesh (15.79%) followed by USA (12.52%), UK (9.71%), Sri Lanka (7.25%), Malaysia (3.54%), Germany (2.85%), Japan (2.84%), France (2.78%), Oman (2.46%), China (2.41%), Australia (2.37%), Canada (2.33%), Nepal (2.24%), Singapore (2.00%) and UAE (1.79%). These top 15 countries account for 72.88% of total FTAs during August 2015.
- The Percentage share of Foreign Tourist Arrivals (FTAs) in India during August 2015 among the top 15 ports was highest at Delhi Airport (27.81%) followed by Mumbai Airport (17.34%), Chennai Airport (10.66%), Haridaspur Land check post (8.83%), Bengaluru Airport (6.91%), Cochin Airport (4.47%), Hyderabad Airport (3.65%), Kolkata Airport (3.40%), Trivandrum Airport (1.95%), Sonauli Airport (1.87%), Gede Rail (1.86%), Tiruchirapalli Airport (1.67%), **Ahmedabad Airport (1.31%)**, Ghojadanga Land check post (1.09%) and Attari Wagha Land check post (0.87%). These top 15 ports account for 93.69% of total FTAs during August 2015.

### Foreign Exchange Earnings (FEEs) from Tourism in India in rupee terms and in US\$ terms

- FEEs during the month of August 2015 were Rs 10,471 crore as compared to Rs 10,385 crore in August 2014 and Rs 8,351 crore in August 2013.
- The growth rate in FEEs in rupee terms during August 2015 over August 2014 was 0.8%.
- FEEs from tourism in rupee terms in January- August 2015 were Rs 82,225 crore as compared to the FEE of Rs 79,803 crore during January-August 2014, showing an increase of 3%.
- FEEs in US\$ terms during the month of August 2015 were US\$ 1.608 billion.
- FEEs from tourism in US\$ terms during January-August 2015 were US\$ 13.017 billion



## 2. Corporate Sector

### 2.1 Index of Industrial Production, July 2015

The General Index of Industrial Production for the month of July 2015 stands at 180.3, which is 4.2% higher as compared to the level in the month of July 2014. The cumulative growth for the period April-July 2015-16 over the corresponding period of the previous year stands at 3.5%.

The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of July 2015 stand at 117.7, 190.7 and 190.3 respectively, with the corresponding growth rates of 1.3%, 4.7% and 3.5% as compared to July 2014. The cumulative growth in the three sectors during April-July 2015-16 over the corresponding period of 2014-15 has been 0.6%, 4.0% and 2.6% respectively.

**Table 2**  
**Index of Industrial Production – Sectoral**  
(Base : 2004-05=100)

Month	Mining		Manufacturing		Electricity		General	
	(141.57)		(755.27)		(103.16)		(1000.00)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Apr	122.6	121.9	181.4	188.5	178.1	177.2	172.7	177.9
May	125.3	128.2	183.5	187.2	183.9	195.0	175.3	179.7
Jun	122.1	121.5	180.1	189.8	181.6	184.0	172.0	179.5
Jul*	116.2	117.7	182.2	190.7	183.8	190.3	173.0	180.3
Aug	115.0		173.4		184.1		166.2	
Sep	115.3		181.9		175.6		171.8	
Oct	124.2		170.0		184.9		165.1	
Nov	128.6		179.9		174.3		172.1	
Dec	133.6		196.8		177.6		185.9	
Jan	136.7		200.7		176.7		189.2	
Feb	129.6		192.7		166.0		181.0	
Mar	149.0		210.3		176.4		198.1	

Average								
Apr-Jul	121.6	122.3	181.8	189.1	181.9	186.6	173.3	179.4
Growth over the corresponding period of previous year								
Jul*	0.1	1.3	-0.3	4.7	11.7	3.5	0.9	4.2
Apr-Jul	2.3	0.6	2.8	4.0	11.4	2.6	3.6	3.5

Source: MOSPI, Govt. of India

\* Indices for July 2015 are Quick Estimates.

NOTE : Indices for the months of Apr'15 and Jun'15 incorporate updated production data.

As per Use-based classification, the growth rates in July 2015 over July 2014 are 5.2% in Basic goods, 10.6% in Capital goods and 1.5% in Intermediate goods (Statement III). The Consumer durables and Consumer non-durables have recorded growth of 11.4% and (-) 4.6% respectively, with the overall growth in Consumer goods being 1.3%.

**Table 3**  
**Index of Industrial Production - Use-Based**  
(Base : 2004-05=100)

Month	Basic goods (456.82)		Capital goods (88.25)		Intermediate goods (156.86)		Consumer goods (298.08)		Consumer durables (84.60)		Consumer non-durables (213.47)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
Apr	163.0	167.3	235.0	248.0	149.7	153.2	181.5	186.5	255.4	258.7	152.2	157.9
May	167.1	177.5	228.0	233.0	155.5	157.5	182.7	178.8	262.7	252.4	151.0	149.7
Jun	163.5	172.1	270.7	264.9	151.2	152.8	166.9	179.7	211.9	248.8	149.0	152.3
Jul*	162.8	171.2	263.2	291.0	155.4	157.8	171.3	173.5	220.9	246.0	151.7	144.7
Aug	164.0		220.6		151.9		161.1		218.8		138.3	
Sep	161.3		260.9		151.3		172.4		241.5		145.0	
Oct	167.9		239.2		145.5		149.0		191.8		132.0	
Nov	168.2		252.1		151.4		165.1		201.6		150.6	
Dec	174.6		269.7		159.0		192.4		208.0		186.2	
Jan	175.4		270.5		158.3		202.3		246.6		184.8	
Feb	164.6		254.9		151.8		199.6		251.2		179.2	
Mar	180.8		331.5		164.8		202.7		261.9		179.3	
Average												
Apr-Jul	164.1	172.0	249.2	259.2	153.0	155.3	175.6	179.6	237.7	251.5	151.0	151.2
Growth over the corresponding period of previous year												
Jul*	7.0	5.2	-3.0	10.6	2.9	1.5	-5.9	1.3	-20.4	11.4	5.2	-4.6
Apr-Jul	8.3	4.8	8.7	4.0	3.0	1.5	-3.8	2.3	-12.3	5.8	2.3	0.1

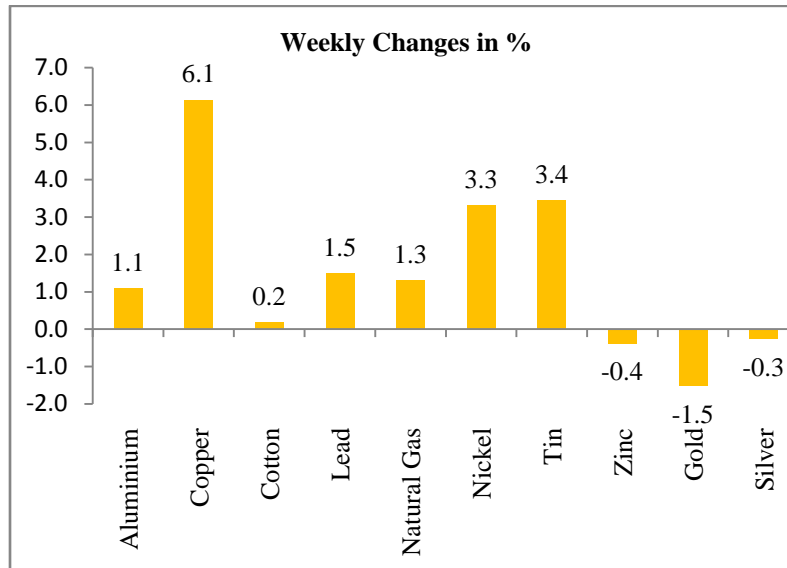
Source: MOSPI, Govt. of India

\* Indices for July 2015 are Quick Estimates.

NOTE : Indices for the months of Apr'15 and Jun'15 incorporate updated production data.

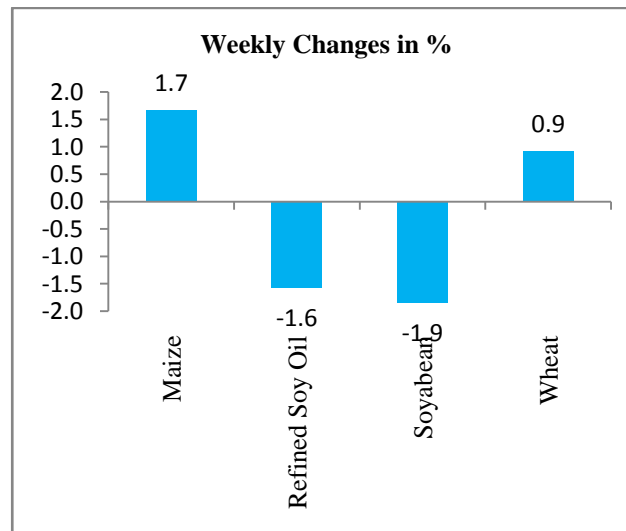
## 2.2 Basic Metals and Agriculture Commodities in Spot Market

### Performance of Metals Market Spot Prices



Source: MCX, ASSOCHAM Economic Research Bureau  
 Note: For details please refer appendix

### Performance Agri Commodities Market Spot Prices



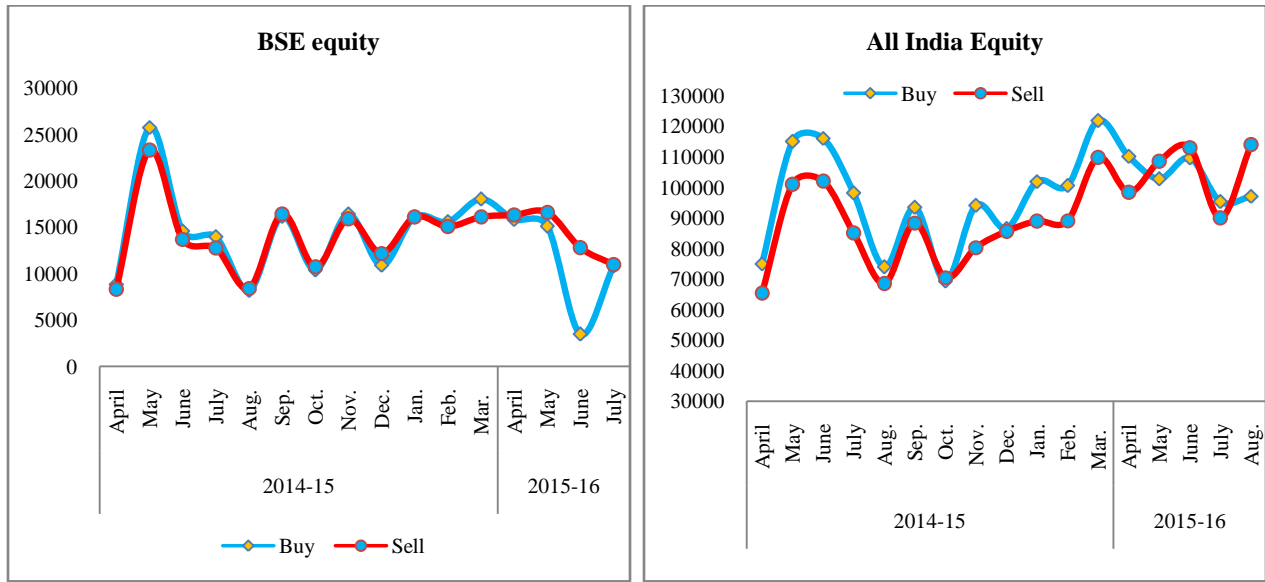
Source: MCX, ASSOCHAM Economic Research Bureau  
 Note: For details please refer appendix



### 3. Market Trends

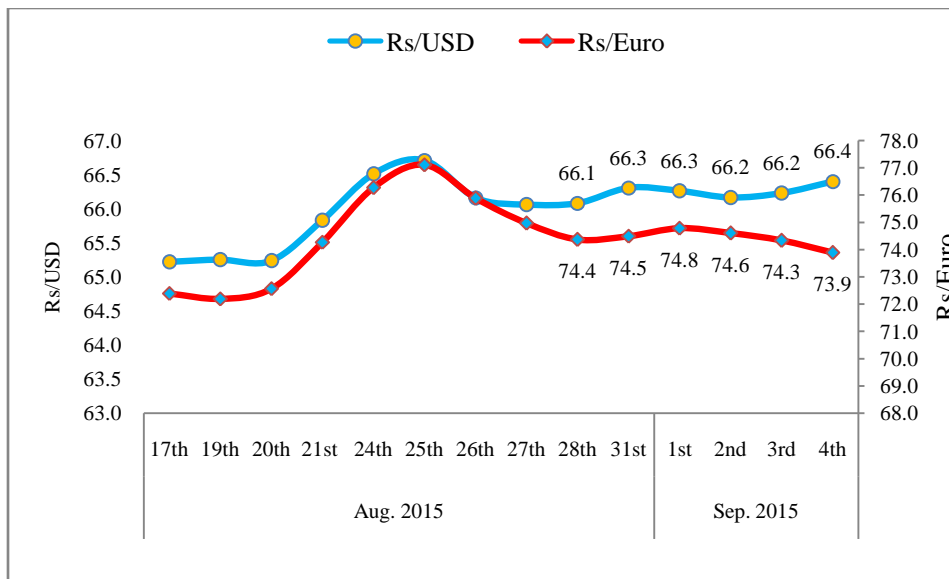


#### FII Equity Flows Equity (Rs. Crore)

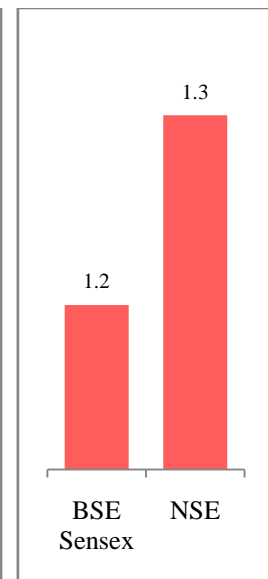


Source: BSE and ASSOCHAM Economic Research Bureau

#### Exchange Rate



#### Market Variation



Source: RBI, BSE, NSE and ASSOCHAM Economic Research Bureau



## 4. Global Developments

### 4.1 UK Index of Production, July 2015

- Total production output is estimated to have increased by 0.8% in July 2015 compared with July 2014. There were increases in 2 of its 4 main sectors, with the largest contribution coming from mining & quarrying, which increased by 6.7%.
- Manufacturing output decreased by 0.5% in July 2015 compared with July 2014. The largest contribution to the decrease came from the manufacture of machinery & equipment not elsewhere classified, which decreased by 15.9%.
- Total production output is estimated to have decreased by 0.4% in July 2015 compared with June 2015. Manufacturing fell by 0.8% and was the only main sector to have decreased. This was the largest fall since May 2014.
- The main manufacturing components contributing to the decrease between June 2015 and July 2015 were the manufacture of basic metals & metal products; the manufacture of transport equipment; and other manufacturing & repair.
- In the 3 months to July 2015, production and manufacturing were 9.3% and 5.2% respectively below their figures reached in the pre-downturn GDP peak in Quarter 1 (Jan to Mar) 2008.

**Table 4**  
**UK Index of Production, July 2015**

	Index number	Most recent month on a year earlier	Most recent 3 months on a year earlier	Most recent month on previous month	Most recent 3 months on previous 3 months
<b>Production</b>	99.2	0.8	1.4	-0.4	0.3
<b>Manufacturing</b>	100.6	-0.5	0.4	-0.8	-0.8

Source: UK Office for National Statistics

## **4.2 Euro Area and EU28 GDP**

According to the statistical office of the European Union, seasonally adjusted GDP rose by 0.4% in both the euro area (EA19) and the EU28 during the second quarter of 2015, compared with the previous quarter. In the first quarter of 2015, GDP grew by 0.5% in both areas.

Compared with the same quarter of the previous year, seasonally adjusted GDP rose by 1.5% in the euro area and by 1.9% in the EU28 in the second quarter of 2015, after +1.2% and +1.7% respectively in the previous quarter.

During the second quarter of 2015, GDP in the United States increased by 0.9% compared with the previous quarter (after +0.2% in the first quarter of 2015). Compared with the same quarter of the previous year, GDP grew by 2.7% (after +2.9% in the previous quarter).

### **GDP growth by Member State**

GDP increased in all Member States for which data are available for the second quarter of 2015, except France where it remained stable. The highest growth compared with the previous quarter was recorded in Latvia (+1.2%), Malta (+1.1%), the Czech Republic, Spain and Sweden (all +1.0%), followed by Greece and Poland (both +0.9%), Slovakia (+0.8%), Estonia, Croatia, Lithuania, Slovenia and the United Kingdom (all +0.7%). The lowest growth rates were registered in the Netherlands, Austria and Romania (all +0.1%).

### **GDP components and contributions to growth**

During the second quarter of 2015, household final consumption expenditure rose by 0.4% in both the euro area and the EU28 (after +0.5% and +0.6% respectively in the previous quarter). Gross fixed capital formation declined by 0.5% in the euro area and 0.1% in the EU28 (after +1.4% in both zones). Exports rose by 1.6% in both the euro area and the EU28 (after +1.0% in both zones). Imports increased by 1.0% in the euro area and by 0.8% in the EU28 (after +1.5% and +1.6%).

Household final consumption expenditure had a positive contribution to GDP growth both in the euro area and the EU28 (+0.2 and +0.3 percentage points). Gross fixed capital formation had a

negative contribution to GDP growth in the euro area (-0.1 pp) and was neutral in the EU28 (0.0 pp). The contribution of the external balance to GDP growth was positive for both zones, while the contribution of changes in inventories was negative.

**Table 5**  
**Growth rates of GDP in volume**  
(based on seasonally adjusted\* data)

	Percentage change compared with the previous quarter				Percentage change compared with the same quarter of the previous year			
	2014		2015		2014		2015	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
EA19	0.3	0.4	0.5	0.4	0.8	0.9	1.2	1.5
EU28	0.4	0.5	0.5	0.4	1.3	1.5	1.7	1.9
Member States								
Belgium	0.3	0.2	0.4	0.4	1	1	1	1.3
Bulgaria	0.4	0.4	0.9	0.5	1.5	1.3	2	2.2
Czech Republic	0.5	0.5	2.4	1	2.3	1.3	4	4.4
Denmark	0.7	0.3	0.5	0.2	1.2	1.4	1.7	1.8
Germany	0.2	0.6	0.3	0.4	1.2	1.5	1.1	1.6
Estonia	0.3	1.5	-0.6	0.7	2.7	3.2	1.6	1.9
Ireland	1.4	1.2	1.4	:	4.2	5.9	6.1	:
Greece	0.9	-0.2	0.1	0.9	1.4	1.4	0.6	1.6
Spain	0.5	0.7	0.9	1	1.6	2	2.7	3.1
France	0.2	0.1	0.7	0	0.2	0.1	0.9	1
Croatia	0.4	0	0.2	0.7	-0.3	0.3	0.2	1.4
Italy	-0.1	0	0.4	0.3	-0.5	-0.4	0.2	0.7
Cyprus	-0.8	-0.2	1.2	0.5	-2.1	-1.6	0.1	0.8
Latvia	0.5	0.5	0.4	1.2	2.3	2.1	2	2.7
Lithuania	0.5	0.7	-0.5	0.7	2.7	2.6	1.6	1.4
Luxembourg	2.2	2.2	0.7	:	5.2	8.5	4.9	:
Hungary	0.6	0.7	0.7	0.5	3.5	3.2	3.2	2.5
Malta	1.4	1.3	0.8	1.1	3.7	4.8	4.5	4.8
Netherlands**	0.4	0.9	0.6	0.1	1.2	1.6	2.5	2
Austria	0	-0.2	0.7	0.1	0.4	-0.2	0.3	0.7
Poland	0.9	0.8	1	0.9	3.4	3.5	3.4	3.6
Portugal	0.2	0.4	0.4	0.4	1.2	0.6	1.5	1.5
Romania	1.3	0.9	1.4	0.1	2.9	2.6	3.8	3.7
Slovenia	0.7	0.4	0.7	0.7	3.5	2.4	2.9	2.5
Slovakia	0.7	0.7	0.8	0.8	2.5	2.6	2.9	3.1
Finland	-0.1	-0.1	0	0.2	-0.7	-0.5	0	0

Sweden	0.6	0.9	0.4	1	2.6	2.6	2.6	2.9
United Kingdom	0.7	0.8	0.4	0.7	3	3.4	2.9	2.6
Other countries								
Iceland	4.2	0.2	-1.5	:	2.1	1.9	2.3	:
Norway	0.4	0.9	0.1	-0.1	1.8	3	2.5	1.2
Switzerland	0.6	0.7	-0.2	0.2	1.7	2	1.2	1.3
United States	1.1	0.5	0.2	0.9	2.9	2.5	2.9	2.7

Source: The statistical office of the European Union

## 5. Data Appendix

**Table 6**  
**Latest Available Financial Information**

Item	Aug. 28, 2015	Sep. 04, 2015	Percentage Change
Deposits of Scheduled Commercial Banks with RBI (Rs. Billion)	3,677.13	3,671.27	-0.16
Foreign Currency Assets of RBI (Rs. Billion)	21,865.21	21,859.71	-0.03
Advances of RBI to the Central Government (Rs. Billion)			
Advances of RBI to the Scheduled Commercial Banks (Rs. Billion)	141.98	93.84	-33.91
Foreign Exchange Reserves (US\$ Billion)	351.9	349.0	-0.82

Source: RBI, Govt. of India

**Table 7**  
**BSE Sensex and NSE Nifty Index**

Index	Sep.07, 2015	Sep. 11, 2015	Percentage Change
BSE SENSEX	25,303.0	25,610.2	1.2
S & P CNX NIFTY	7,685.9	7,789.3	1.3

Source: BSE India and NSE India

**Table 8**  
**Metals Market Spot Prices Index (Rs.)**

		September 2015					Weekly Changes in %
		7 <sup>th</sup>	8 <sup>th</sup>	9 <sup>th</sup>	10 <sup>th</sup>	11 <sup>th</sup>	
Aluminium	1 KGS	106.0	106.1	107.9	107.0	107.1	1.1
Copper	1 KGS	338.5	338.5	357.4	356.1	359.2	6.1
Cotton	1 BALES	16730.0	16700.0	16750.0	16770.0	16760.0	0.2
Lead	1 KGS	111.3	111.3	113.5	114.2	113.0	1.5
Natural Gas	1 mmBtu	176.3	176.3	180.5	175.7	178.6	1.3
Nickel	1 KGS	654.4	655.9	667.1	687.3	676.1	3.3
Tin	1 KGS	1017.5	1032.0	1026.0	1042.3	1052.5	3.4
Zinc	1 KGS	119.2	119.3	120.3	120.4	118.7	-0.4
Gold	10 GRMS	26401.0	26280.0	26208.0	25952.0	26001.0	-1.5
Silver	1 KGS	34815.0	34823.0	35009.0	34910.0	34723.0	-0.3

Source: MCX

**Table 9**  
**Agri Commodities Market Spot Prices (Rs.)**

		September 2015					Weekly Changes in %
		7 <sup>th</sup>	8 <sup>th</sup>	9 <sup>th</sup>	10 <sup>th</sup>	11 <sup>th</sup>	
Maize	100 KGS	1500.0	1500.0	1510.0	1500.0	1525.0	1.7
Refined Soy Oil	10 KGS	598.5	595.7	591.2	589.1	589.1	-1.6
Soyabean	100 KGS	3377.5	3345.0	3297.5	3325.0	3315.0	-1.9
Wheat	100 KGS	1625.0	1620.0	1625.0	1630.0	1640.0	0.9

Source: MCX

## **ASSOCHAM Economic Research Bureau**

ASSOCHAM Economic Research Bureau (AERB) is the research division of the Associated Chambers of Commerce and Industry of India. The Research Bureau undertakes studies on various economic issues, policy matters, financial markets, international trade, social development, sector wise performance and monitoring global economy dynamics.

The main banners of the Bureau are:

**ASSOCHAM Eco Pulse (AEP)** studies are based on the data provided by various institutions like Reserve Bank of India, World Bank, IMF, WTO, CSO, Finance Ministry, Commerce Ministry, CMIE etc.

**ASSOCHAM Business Barometer (ABB)** are based on the surveys conducted by the Research Team to take note of the opinion of leading CEOs, MDs, CFOs, economists and experts in various fields.

**ASSOCHAM Investment Meter (AIM)** keeps the track of the investment announcements by the private sector in different sectors and across the various states and cities.

**ASSOCHAM Placement Pattern (APP)** is based on the sample data that is tracked on a daily basis for the vacancies posted by companies via job portals and advertisements in the national and regional dailies, journals and newspaper. Data is tracked for 60 cities and 30 sectors that are offering job opportunities in India.

**ASSOCHAM Financial Pulse (AFP)** as an analytical tool tracks quarterly financial performance of India Inc; forming strong inter-linkages with the real economy and presents sectoral insights and outlook based on financial indicators, demand signals and corporate dividend activity.

Email: [research@assocham.com](mailto:research@assocham.com)



## **THE KNOWLEDGE CHAMBER**

Evolution of Value Creator ASSOCHAM initiated its endeavor of value creation for Indian industry in 1920. It has witnessed upswings as well as upheaval of Indian Economy and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

ASSOCHAM derives its strength from the following Promoter Chambers: Bombay Chamber of Commerce and Industry, Mumbai; Cochin Chamber of Commerce and Industry, Cochin; Indian Merchant's Chamber, Mumbai; The Madras Chamber of Commerce and Industry, Chennai; PHD Chamber of Commerce and Industry, New Delhi.

### **VISION**

Empower Indian enterprise by inculcating knowledge that will be the catalyst of growth in the barrier less technology driven global market and help them upscale, align and emerge as formidable player in respective business segment

### **MISSION**

As representative organ of Corporate India, ASSOCHAM articulates the genuine, legitimate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic industrial and social development. We believe education, health, agriculture and environment to be the critical success factors.

### **GOALS**

To ensure that the voice and concerns of ASSOCHAM are taken note of by policy makers and legislators. To be proactive on policy initiatives those are in consonance with our mission. To strengthen the network of relationships of national and international levels/forums. To develop learning organization, sensitive to the development needs and concerns of its members. To broad-base membership. Knowledge sets the pace for growth by exceeding the expectation, and blends the wisdom of the old with the needs of the present.