

Chapter 1 : Economic Survey - TaxIndiaUpdates

Economic Survey of India - Key Highlights February 26, The Economic Survey , presented in Parliament, has described external environment as challenging but projected a GDP growth rate of 7 to % in the next fiscal that could achieve the target of 8% in a couple of years.

The Economic Survey noted that the Agricultural sector of the Indian economy registered low growth for 2nd consecutive year due to drought. Agriculture sector declined for the 2nd consecutive year Published: February 26, The agriculture sector needs a transformation to ensure sustainable livelihoods for the farmers and food security for the population. The transformation in agriculture has to be steered by raising productivity in agriculture, by investing in efficient irrigation technologies, and efficient use of all inputs. There is regional disparity in irrigated farming, with net irrigated area to Total cropped area at more than 50 per cent in the states of Punjab, Tamil Nadu and Uttar Pradesh, while it is at less than 50 per cent in the remaining States.

Mechanization The level of farm mechanization in India requires more to be done in terms of introduction of better equipment for each farming operation in order to reduce drudgery, to improve efficiency by saving on time and labor, improve productivity, minimize wastage and reduce labor costs for each operation. The overall level of mechanization in farming is below 50 per cent in the case of majority of the farming operations in India. Another concern is shortage in the supply of quality seeds. These issues needs to be debated, tested, evaluated, so that introduction of hybrids is facilitated in the next six months.

Fertilizers Fertilizers is a critical and expensive input required to improve agricultural output. There is a need to rationalize fertilizer subsidy in an input, crop and region neutral format and minimize diversions. In the case of P and K fertilizer subsidy, with the Nutrient Based Subsidy NBS scheme, a fixed amount of subsidy will be given on each grade based on their content.

Crop-responsive, balanced use of fertilizers: It is important to facilitate the optimal use of fertilizers depending on the soil health and fertility status. Linking the soil health card to provide profile of the soil and fertilizer on the basis of the same profile utilizing fertilizer, even if not subsidized can improve the yield of crops.

Micro nutrients and organic fertilizers: Indian soils show deficiency of micro nutrients like boron, zinc, copper and iron in most parts of the country, which limits crop yields and productivity. The micro nutrient deficiency can be overcome if there is expansion of the use of organic fertilizer. Moreover, it is cheaper for small farmers to adopt and use organic composting and manure. This can help improve and retain soil fertility.

Judicious use of chemical fertilizers, bio-fertilizers and locally available organic manures like farmyard manure, compost, vermin compost and green manure based on soil testing is necessary to maintain soil health and productivity.

Regional disparity in fertilizer consumption: There are wide regional disparities in the consumption of fertilizers. These practices have give rise to pesticide residues being found in food products in India, posing major threats to the environment and human beings. Farmers need to be educated about the classification of insecticides on rte basis of their toxicity. They should also be advised whether specific pesticides are suitable for aerial application. There is need to address the problem of availability of credit on several fronts. The regional disparity in the distribution of agriculture credit also needs or be addressed. These measures help farmers tide over short-term contingencies and price shocks which may affect their seasonal operations. There needs to be a shift to demand-driven agricultural advisory services that will cater to farmer, region and crop-specific needs.

Chapter 2 : UNION BUDGET & ECONOMIC SURVEY

Economic Survey sees the economy growing between 7 to 8%. It also says that there is a case for reviewing the fiscal framework. What are the challenges that Indian economy faces? Track ET for the latest on India's macroeconomic picture.

The spice trade between India and Europe was the main catalyst for the Age of Discovery. The inscription shown, is a Sanskrit invocation of Lord Shiva. The combination of protectionist , import-substitution , Fabian socialism , and social democratic -inspired policies governed India for sometime after the end of British rule. The economy was then characterised by extensive regulation, protectionism , public ownership of large monopolies, pervasive corruption and slow growth. Evidence of well-planned streets, a drainage system and water supply reveals their knowledge of urban planning , which included the first-known urban sanitation systems and the existence of a form of municipal government. Both the Malabar and Coromandel Coasts were the sites of important trading centres from as early as the first century BC, used for import and export as well as transit points between the Mediterranean region and southeast Asia. Historians Tapan Raychaudhuri and Irfan Habib claim this state patronage for overseas trade came to an end by the thirteenth century AD, when it was largely taken over by the local Parsi, Jewish, Syrian Christian and Muslim communities, initially on the Malabar and subsequently on the Coromandel coast. These traders built a Hindu temple , which suggests commerce was active and prosperous for Indians by the 17th century. Villages paid a portion of their agricultural produce as revenue to the rulers, while their craftsmen received a part of the crops at harvest time for their services. Silver coin of the Gupta dynasty , 5th century AD. Mughal era – See also: Muslin trade in Bengal and Economy of the Kingdom of Mysore The Indian economy was large and prosperous under the Mughal Empire , up until the 18th century. The Mughal economy functioned on an elaborate system of coined currency, land revenue and trade. Gold, silver and copper coins were issued by the royal mints which functioned on the basis of free coinage. Key industries included textiles , shipbuilding , and steel , and processed exports included cotton textiles, yarns , thread , silk , jute products, metalware , and foods such as sugar , oils and butter. Indeed, at the beginning of the 20th century, "the brightest jewel in the British Crown" was the poorest country in the world in terms of per capita income. The British East India Company, following their conquest of Bengal in 1757, had forced open the large Indian market to British goods, which could be sold in India without tariffs or duties , compared to local Indian producers who were heavily taxed , while in Britain protectionist policies such as bans and high tariffs were implemented to restrict Indian textiles from being sold there, whereas raw cotton was imported from India without tariffs to British factories which manufactured textiles from Indian cotton and sold them back to the Indian market. It also established a system of railways and telegraphs, a civil service that aimed to be free from political interference, a common-law and an adversarial legal system. However, at the end of colonial rule, India inherited an economy that was one of the poorest in the developing world, with industrial development stalled, agriculture unable to feed a rapidly growing population, a largely illiterate and unskilled labour force, and extremely inadequate infrastructure. Subsequently, the policy of discriminating protection where certain important industries were given financial protection by the state , coupled with the Second World War, saw the development and dispersal of industries, encouraging rural-urban migration, and in particular the large port cities of Bombay , Calcutta and Madras grew rapidly. Economic historian Prasanna Parthasarathi presented earnings data which showed real wages and living standards in 18th century Bengal and Mysore being higher than in Britain, which in turn had the highest living standards in Europe. Licence Raj Indian economic policy after independence was influenced by the colonial experience, which was seen as exploitative by Indian leaders exposed to British social democracy and the planned economy of the Soviet Union. Steel, mining, machine tools, telecommunications, insurance, and power plants, among other industries, were effectively nationalised in the mid-1950s. Figures are inflation-adjusted to International Geary-Khamis dollars. They expected favourable outcomes from their strategy, involving the rapid development of heavy industry by both public and private sectors , and based on direct and indirect state intervention, rather than the more extreme Soviet-style central command system. Tata

, on the Indian regulatory system, [] Since , the use of high-yielding varieties of seeds , increased fertilisers and improved irrigation facilities collectively contributed to the Green Revolution in India , which improved the condition of agriculture by increasing crop productivity, improving crop patterns and strengthening forward and backward linkages between agriculture and industry.

Chapter 3 : Economic Survey of India - Key Highlights - Syskool

ECONOMIC SURVEY OF INDIA Prepared by- arvind subramaniayan (finance ministry secretary) Economy of India is expected to grow by 8%.

October 3, Author: The survey forecasts an economic growth rate of 7 to 7. A three-pronged strategy of promoting competition, investing in health and education while not neglecting agriculture will help India to achieve its long-term potential growth rate of around per cent, said the survey. Fiscal deficit target of 3. GDP growth expected to accelerate between 7 and 7. Agriculture and food management: Agriculture and allied activities remain the major source of livelihood for nearly half of the Indian population. The share of agriculture in employment was India has emerged as a significant agricultural exporter of commodities such as cotton, rice, meat, oil meals, spice, guar gum meal and sugar. Agricultural exports as a percentage of agricultural GDP increased from 7. Food grain production for is estimated at Industries, corporate and infrastructure sector: Industrial sector registered a growth of 5. The growth of industrial sector is estimated to be 7. As per Index of Industrial Production IIP , the industrial sector broadly comprising mining, manufacturing and electricity attained 3. The government has launched several initiatives to boost industrial growth such as ease of doing business, Make in India, Invest India, and e-biz Mission Mode Project. Production of raw coal during April-December increased 4. Higher domestic production has significantly helped to bring down coal imports. Basic metals and metal production grew by 7. During , total electricity generation of 1, The services sector contributed India has shown fastest growth in the services sector over , with a compound annual growth rate CAGR of 8. In , foreign direct investment FDI inflows to the services sector grew by India is the eighth largest services exporter in the world. Food Subsidy Bill stands at Rs , JAM Number Trinity “ Jan Dhan Yojana, Aadhaar, Mobile can enable the State to transfer financial resources to the poor in a progressive manner without leakages and with minimal distorting effects. The benchmark year sovereign yield started the year at 7. During FY , year-on-year growth in gross bank credit outstanding has remained at around 10 per cent. Scheduled commercial banks SCB reduced their median-term deposit rate by 72 bps and median base rate by 60 bps up to December 15, in response to the reduction in the policy repo rate by bps since January The total number of banking outlets went up from , as at end-March to , as at end-September Three schemes were launched in in the insurance and pension sectors for creating a universal social security system for all Indians, especially the poor and underprivileged. Reforms in the financial sector The Forwards Markets Commission FMC has been merged with the Securities and Exchange Board of India SEBI with effect from September 28, to achieve convergence of the regulation of the securities and commodity derivatives markets and increase the economies of scope and scale for exchanges, financial firms and other stakeholders. The bill seeks to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time-bound manner. Key Government initiatives to boost economic growth: Government is looking to facilitate a host of initiatives, including the new bankruptcy law, rehabilitation of stalled projects, proposed changes to the Prevention of Corruption Act as well as the broader JAM Jan Dhan, Aadhaar and Mobile governance agenda Diesel prices have been de-regulated Increase in wages recommended by the Seventh Pay Commission Cooking gas subsidy has been replaced by direct transfer Several initiatives taken which to transform the infrastructure sector Reforms to be implemented to fertiliser subsidy Standard deduction and exemptions to be phased out in an orderly manner in due course Higher property tax rates may be implemented Reasonable taxation from rich agriculturalists More emphasis to be given on widening the tax base Advertisements.

Chapter 4 : Economic Survey of India Highlights

The Finance Minister presented the Economic Survey before the Parliament on 26 February This annual document contains the developments in the Indian economy during the financial year

The Union Finance Minister presented the Economic Survey in front of the Parliament entailing all the achievements and data of the Government in the financial year ending. Major Highlights of the Economic Survey as presented Published: February 26, It says as the Government is committed to carrying the reform process forward and conditions exists today for such growth aided by the prevailing macro-economic stability. The Report portends growth rate in the range of 7 to 7. The Survey further mentions that the recent growth revival in India is predominantly consumption driven. It says while the growth in services sector has moderated slightly. The acceleration in manufacturing growth has compensated for the lower growth in agriculture sector, due to two successive years of lower than normal monsoon rains. The Survey, however, expresses a caution of weak global demand. Post Fourteenth Finance Commission FFC recommendations, equilibrium is sought to be achieved between higher capital expenditure, higher net resource transfers to States and higher gross tax revenues, the Economic Survey states. It says that in spite of challenges and lowers than projected GDP growth during , the fiscal deficit target of 3. This became possible as the Gross Tax Revenue GTR targets were achieved, due to improved tax buoyancy and prudent expenditure management, assisted by declining oil prices. The Survey points out that an indication of better fiscal management is that the total expenditure for was estimated at Rs. A growth of The notable highlights of the benign fiscal outcome in the current year till December included: Inflation The Economic Survey further points-out that the wholesale price inflation had been in the negative territory for more than a year and the consumer price inflation has also declined to about half of what it used to be in earlier years. It says the astute policies and management of inflation by the government through buffer stocking, timely release of cereals and import of pulses had helped in keeping prices of essential commodities under check during It points out that with easing of inflation measures, the RBI had brought down the repo rate by basic points bps from the beginning of to 6. It says that the RBI also further conducted various measures like variable repo rate and reverse repo overnight and term auctions to address the day-to-day liquidity requirements. The operating target of monetary policy thus remained closely aligned to the policy repo rate the Economic Survey asserts. The concerns around GM seeds need to be resolved through debate and tests. The Direct Benefit Transfer DBT mode for inputs like seeds and fertilizer can prevent leakage and diversions in the system and reach the targeted beneficiaries, the Survey says. The Survey also points-out as to how measures were taken to mobilize gold for productive purposes, through the Sovereign Gold Bond Scheme and the Gold Monetization Scheme. It, however, stated that the performance of the Scheduled Commercial Banks remained subdued during and there had been sluggish growth of bank credit. The Survey, however, expects continued good performance by the Industrial, Corporate and Infrastructure Sectors in the wake of various recent reform measures undertaken by the Government. It says development of the Infrastructure Sector has been a priority area for the Government and it witnessed enhanced public investment. Some reform measures which contributed to such growth include: Auctions successfully undertaken for allocation of coal and mines blocks. Tax-free infrastructure bonds have been allowed for rail, roads and irrigation programmes. Apart from this, a number of sectors like construction, broadcasting, civil aviation, plantation, trading, private sector banking, satellite establishment and operation and credit information companies etc. This is due to lower growth in Public Administration, Defence and other Services. There has been a rising trend in FDI equity inflows to the services sector in the first seven months of with FDI inflows growing by The proportion of short term debt to total external debt decreased from External debt to GDP ratio of Social Infrastructure On the front of Social Infrastructure, Employment and Human Development, the report points at the preponderance of unskilled workers in India. It also talks of technology for Efficient Delivery of Services. The Report points out those more than lakh toilets have been constructed in rural areas since the beginning of Swachh Bharat Mission Gramin for improving sanitation situation in rural India. The Economic Survey points-out the need to focus on the quality of education in both

the public and private sectors. There is need for professionally qualified and trained teachers to improve educational outcomes. To strengthen the delivery of public health services and infrastructure facilities, both public investments and leveraging of private investments are necessary. To improve the efficiency in the delivery of services and to overcome the shortages in the skilled personnel in health sector policy interventions are felt needed. The aim is to achieve a target of 60 GW of wind power as well as GWs of solar power to be in the country installed by , the Survey adds.

Chapter 5 : Economic Survey Agriculture sector declined for the 2nd consecutive year - calendrierdelascier

Union Finance Minister Arun Jaitley on 26 February presented Economic Survey of India in the Parliament. The Economic Survey reviews the developments in the Indian economy over the.

State of the economy and Public Finance Monetary management and financial intermediation External sector and Service sector Prices, agriculture and food management Industrial, corporate and infrastructure performance Climate change and sustainable development Social infrastructure, employment and human development What is JAM Trinity, according to the Economic Survey and why is it emphasized? Government subsidises many commodities like rice, wheat, pulses, sugar, kerosene, LPG, naphtha, water, electricity, fertilizer etc The estimated direct fiscal cost of subsidies is about Rs 3. Prime Minister Narendra Modi recently stated that leakages in subsidies must be eliminated without reducing the subsidies themselves. It gives the example of good, electricity and kerosene, to name a few, and explains how price subsidies distort and lead to leakages leakages means that the intended beneficiaries do not receive the benefit. It says the JAM allows the state to offer this support to poor households in a targeted and less distorting way. There are many other benefits as we discussed in the class like fiscal savings etc. The survey also made a case that Post Offices can fit into the Aadhaar linked benefits-transfer architecture. India has the largest postal network in the world with over 1,55, Post Offices of which A Macroeconomic fundamentals have dramatically improved in 1. Inflation has declined by over 6 percentage points since late 2. Current Account Deficit down from a peak of 6. Foreign portfolio flows have stabilized the rupee 4. After a nearly quarter phase of deceleration, real GDP has been growing at 7. Central Statistics Office 5. Notwithstanding the new estimates, the balance of evidence suggests that India is a recovering, but not yet a surging economy 6. Going forward inflation is likely to remain in the Using the new estimate for as the base, GDP growth at constant market prices is expected to accelerate to between 8. Private investment must be the engine of long-run growth. There is a case for reviving targeted public investment as an engine of growth in the short run to complement and crowd-in private investment India faces an export challenge, reflected in the fact that the share of manufacturing and services exports in GDP has stagnated in the last five years. India must adhere to the medium-term fiscal deficit target of 3 percent of GDP India must move toward the golden rule of eliminating revenue deficits Expenditure control with growth recovery and GST will ensure that medium-term targets are met The quality of expenditure needs to be shifted from consumption to investment. Subsidies and the JAM Solution: The direct fiscal cost of all the subsidies is roughly Rs. The Investment Challenge Manufacturing and infrastructure account for most of the stalled projects. This has weakened the balance sheets of the corporate sector and public sector banks, Despite this, the stock market valuations of companies with stalled projects are quite robust, which is a puzzle Expectation that the private sector will drive investment needs to be moderated Public investment may need to step in to ramp up capital formation. The Banking Challenge Going forward, capital markets and bond-financing need to be given a boost. Private sector banks did not partake in the biggest private-sector-fuelled growth episode in Indian history during F. The Rail Route to Higher Growth. Econometric evidence suggests that the railways public investment multiplier “the effect of a Rs 1 increase in public investment in the railways on overall output” is around 5. However, in the long run, the railways must be commercially viable and public support must be linked to railway reforms. A National Market for Agricultural Commodities India has not one, not 29, but thousands of agricultural markets APMCs levy multiple fees of substantial magnitude that are non-transparent

Chapter 6 : Download Economic Survey of India file in pdf format

The Indian Finance Minister, Mr. Arun Jaitley tabled the Economic Survey in the Parliament on 26th February, ahead of the Union Budget. It was principally themed on the macroeconomic policy and outlook, eagerly awaited structural reforms, and poverty.

The Economic Survey reviews the developments in the Indian economy over the previous 12 months, summarises the performance on major development programmes and highlights the policy initiatives of the government and the prospects of the economy in the short to medium term. The growth rate of GDP at constant market prices is projected to increase to 7. Twin balance sheet problem: Resolving the challenge of twin balance sheet problem – the impaired financial positions of the Public Sector Banks PSBs and some corporate houses would require 4 Rs: Recognition, Recapitalization, Resolution, and Reform. The percentage share of horticulture output in agriculture is more than 33 per cent. The share of plan outlay for horticulture, which was 3. Over the last decade, the area under horticulture grew by about 2. Production of horticulture crops have outpaced the production of food grain since India ranks first in milk production, accounting for Per capita availability of milk in India increased from grams per day in to grams per day by According to the data of the 66th round of the National Sample Survey , the average dietary energy intake per person per day was Kcal for rural India and Kcal for urban India. India has the second highest number of undernourished people at Fiscal Deficit target of 3. The total expenditure for was estimated at Rs. A growth of Direct taxes grew by The aggregate capital expenditure of the government increased by 0. Services Sector remained the key driver of economic growth contributing almost This is due to lower growth in Public Administration, Defence and other Services. There has been a rising trend in FDI equity inflows to the services sector in the first seven months of with FDI inflows growing by Trade deficit declined to The proportion of short term debt to total external debt decreased from External debt to GDP ratio of Increasing investment in human capital is a key requirement to improve productivity of the population says the Economic Survey. The expenditure on health as a percentage of total expenditure on social services increased from The proportion of economically active population years has increased from The annual growth rate of employment for the private sector was 4. The LFPR for rural areas stands at The LFPR for women is significantly lower than that for males in both rural and urban areas. The Unemployment Rate is 4. The total unemployment rate reported is 4.

Chapter 7 : Highlights of the Economic Survey

A flagship annual document of the Ministry of Finance, Government of India, Economic Survey reviews the developments in the Indian economy over the previous 12 months, summarizes the performance on major development programmes, and highlights the policy initiatives of the government and the prospects of the economy in the short to medium term.

It was principally themed on the macroeconomic policy and outlook, eagerly awaited structural reforms, and poverty. Domestic Economic Advancements and Challenges The agricultural sector, which employs the highest proportion of the workforce, is witnessing a declining growth rate. The survey states that the agricultural sector needs a transformation to ensure livelihoods for farmers and food security for the population. Bringing excluded areas under irrigation is the foremost agenda to begin with. The industrial sector grew at 5. The manufacturing sector is estimated to grow at 9. While the economy has grown noticeably and is expected to continue to do so, the survey stated that protectionist measures have been constricting the domestic industry. It suggests that India should opt for procedures that are World Trade Organization compliant. Estimates show a 9. Highlights from the power sector include highest increase in power generation capacity, reduced peak electricity deficit, and low tariffs on solar power projects. Challenges in the power sector include complex power tariff schedules, substantial continued use of diesel generators, and increased external electricity procurement by firms. In regards to financial health of the economy, the Survey indicates that fiscal discipline remains a challenge. The challenge is to maintain it at 3. Burden on subsidies was controlled due to low oil prices globally. However, the upcoming Seventh Pay Commission an overhaul of the salaries and pensions of 10 million Central Government employees and pensioners whose payments are approximately worth 0. To monitor the fiscal burden arising from the proposed recapitalization of banks and the Seventh pay commission expenditure, the survey suggested the government to review its medium term fiscal strategy. According to the Survey, impaired financial positions of the public sector banks due to rising Non Performing Assets or the outstanding loans and some corporate houses are major impediments to private investment and full fledged economic recovery. It suggested a 4R solution Recognition, Recapitalization, Resolution and Reform to tackle this problem. In regards to taxations, the Survey found that only 5. The survey highlighted that low cost maternal and early life health and nutrition programs offer very high returns on investments. To strengthen the existing public health services and infrastructure the Economic Survey recommends leveraging public and private investments. Global Economic Advancements and Challenges The Survey revealed some advancements in the global front. Turmoil in global economy has posed challenges for India. Exports have been falling continuously for 14 months leading to a decline in the trade deficit. Declining export demand and a turbulent stock market due to capital outflow has resulted in a weakening Indian Rupee. However, due to lower oil prices, inflation is expected to decline to a range of 4. Conclusion There are some major reforms that are still pending that were highlighted by the Survey. For instance, the Survey expressed its concern over deferment of the Goods and Services Tax GST Bill, which aims to harmonize the tax structure throughout the nation. The survey cautioned that India is facing consequences due to the lack of an exit policy that makes it tough for international businesses to pull out from their loss making ventures.

Chapter 8 : Economic Survey - Ministry of Finance, Government of India - Oxford University Press

Tags: Economic Survey Highlights Next story 1) Critically examine the main causes and consequences of urban air pollution in India. What efforts have been made and what needs to be done to address this problem?

Chapter 9 : Summary of Economic Survey : India â€“ pibmgkblog

In addition to the review of the economy, the Economic Survey contains in-depth analysis, serious research as well as new policy ideas. Twin Balance Sheet, JAM, cooperative and competitive federalism, middle class subsidies, universal

basic income, bad bank, one market in power, and India's migration and internal trade have been among the.