

## CURRENT AFFAIRS= 01/02-02-2020



### Economic Survey 2020

Nirmala Sitharaman, Finance Minister, tabled the Economic Survey of India 2020 in the Parliament.

**It pegged FY21 GDP growth at 6 to 6.5 per cent. Industrial growth was estimated at 2.5% and Agriculture at 2.8%.**

The survey highlighted the fact that 2.62 crore new jobs were created in rural and urban areas between 2011-12 and 2017-18. It said that FY20 tax collections are expected to be lower than the estimates.

**Theme: Wealth Creation, Promotion of pro-business policies, strengthening of trust in the economy**

### Infrastructure

The Survey says that in order to achieve 5 trillion USD by 2024-25, India has to spend 1.4 trillion USD.

This has to be done to avoid the constraint of lack of infrastructural growth in the **path of India's target.**

### Prices and Inflation

Inflation Trends: Inflation witnessing moderation since 2014- Consumer Price Index (CPI) inflation increased from 3.7 per cent in 2018-19 (April to December, 2018) to 4.1 per cent in 2019-20 (April to December, 2019).

WPI inflation fell from 4.7 per cent in 2018-19 (April to December, 2018) to 1.5 per cent during 2019-20 (April to December, 2019).

Drivers of CPI – Combined (C) inflation: During 2018-19, the major driver was the miscellaneous group

During 2019-20 (April-December), food and beverages was the main contributor.

Among food and beverages, inflation in vegetables and pulses was particularly high due to low base effect and production side disruptions like untimely rain.

### Export numbers

Top export items: Petroleum products, precious stones, drug formulations & biologicals, gold and other precious metals.

Largest export destinations in 2019-20 (April-November): United States of America (USA), followed by United Arab Emirates (UAE), China and Hong Kong.

The merchandise exports to GDP ratio declined, entailing a negative impact on BoP position.

Slowdown of world output had an impact on reducing the export to GDP ratio, particularly from 2018-19 to H1 of 2019-20.

Growth in Non-POL exports dropped significantly from 2009-14 to 2014-19.

### Fiscal Developments

Revenue Receipts registered a higher growth during the first eight months of 2019-20, compared to the same period last year, led by considerable growth in Non-Tax revenue.

Gross GST monthly collections have crossed the mark of Rs. 1 lakh crore for a total of five times during 2019-20 (up to December 2019).

Structural reforms undertaken in taxation during the current financial year:

Change in corporate tax rate.

### **Ease of Doing Business in India**

A jump of 79 positions to 63 in 2019 from 142 in 2014 in World Bank's Doing Business rankings.

India still trails in parameters such as Ease of Starting Business, Registering Property, Paying Taxes and Enforcing Contracts.

China-model for jobs

Survey suggests a strategy similar to one used by China to grab this opportunity:

Specialization at large scale in labour-intensive sectors, especially network products.

Laser-like focus on enabling assembling operations at mammoth scale in network products.

Export primarily to markets in rich countries.

Trade policy must be an enabler.

### **Creating Jobs**

By integrating "Assemble in India for the world" into Make in India, India can: o Raise its export market share to about 3.5 % by 2025 and 6 % by 2030.

To Create 4 crore well-paid jobs by 2025 and 8 crore by 2030.

2 % cumulative annual growth rate of new firms in the formal sector during 2014-18, compared to 3.8 % during 2006-2014.

About 1.24 lakh new firms created in 2018, an increase of about 80 % from about 70,000 in 2014.

### **India's 'growth' in rankings**

India Ranks Third in Number of New Firms Created; 1,24,000 New Firms Created in 2018 Compared to 70,000 In 2014

As Against 3.8 % Growth Rate in Number of New Firms Created During 2006-14, Growth Rate During 2014-18 Rises to 12.2%

More Service Sector Firms Created Compared to Manufacturing, Agriculture or Infrastructure; Entrepreneurial Activity Highest in Delhi, UP, Mizoram, Kerala, A&N Islands & Haryana

Entrepreneurial Activity in Manufacturing Sector Highest in Gujarat, Meghalaya, Puducherry, Punjab and Rajasthan

Birth of New Firms Heterogeneous Across Indian Districts & Sectors: Economic Survey

### **Housing sector boost**

33 Lakh Houses Completed Per Year in 2018-19 Under Pradhan Mantri Awaas Yojana-Gramin over 11.95 Lakh Houses in 2014-15: Economic Survey

Over 10 Crore Toilets Built in Rural Areas Under Swachh Bharat Mission- Gramin (SBM-G) Since 2014

10 Year Rural Sanitation Strategy (2019-2029) Launched to Focus on Sustaining Sanitation Behaviour Change

### **India becomes 2nd Largest Emerging Green Bond Market**

Economic Survey observed that India has the Second largest Emerging Green Bond Market after China. The SBI entered the market with an US\$650 million Certified Climate Bond. India also joined International Platform on Sustainable Finance (IPSF) in 2019 to scale up the environmentally sustainable investments.

### **Forex reserve estimated at \$ 461.2 billion in 2019-20**

India Economic Survey Live: Forex reserve estimated at \$ 461.2 billion in 2019-20  
India's Balance of Payments Position Improves, as Current Account Deficit Declines Further

Foreign Exchange Reserves Continue to Be Comfortable  
FDI Inflows and Overseas Remittances on an Upward Graph

### **Agriculture to grow at 2.8%**

### **Industrial growth estimated at 2.5%**

Impact of India's trade agreements on overall trade balance

India Economic Survey Live: Survey analyses the impact of India's trade agreements on overall trade balance:- India's exports increased by 13.4 % for manufactured products and 10.9 % for total merchandise- Imports increased by 12.7 % for manufactured products and 8.6 per cent for total merchandise.- India gained 0.7 % increase in trade surplus per year for manufactured products and 2.3 % per year for total merchandise.

### **Thalinomics in focus**

The Survey states that across India and also the 4 regions- North, South, East and West- it is found that the absolute prices of a vegetarian Thali have decreased significantly since 2015-16 though the price has increased in 2019.

The Economic Survey 2019-20 presented in Parliament today by the Union Minister for Finance and Corporate Affairs Smt Nirmala Sitharaman states that affordability of vegetarian Thalies improved 29 per cent from 2006-07 to 2019-20 while that for non-vegetarian Thalies by 18 per cent.

### **Kashmiri journalist Yusuf Jameel wins PEN Gauri Lankesh Award for 2019-'20**

Kashmiri reporter Yusuf Jameel has received the second edition of an award set up in the memory of journalist Gauri Lankesh.

The inaugural "PEN Gauri Lankesh Award for Democratic Idealism" was given to cartoonist P Mahamood in September 2018.

Jameel was given the 2019-2020 award for showing an "exemplary commitment to professional integrity and the ideals of democracy".

### **Rajnath Singh at 12th South Asia Conference on "India's Neighbourhood First" Policy: Regional Perceptions"**

The 12th edition of the annual South Asia Conference was held in New Delhi.

The theme of the South Asia Conference 2020 was India's "Neighbourhood First" Policy: Regional Perceptions.

Defence Minister Rajnath Singh delivered the inaugural address at the conference.

The conference is organised by the Institute for Defence Studies and Analyses (IDSA), New Delhi since 2007

### **Bengaluru has the worst traffic in the world**

India has topped the TomTom Traffic Index 2019 with 4 of its cities amongst the 10 most congested cities globally.

Bengaluru (71%), Mumbai (65%), Pune (59%) and New Delhi (56%) ranks 1st, 4th, 5th and 8th respectively. **Abu Dhabi in the United Arab Emirates(UAE) was the least congested national capital, it had just 10% congestion level in 2019.**

### **Telangana tops country in sustainable growth goals: UN Development Programme**

Telangana has emerged as the best performing state in promoting inclusive and sustainable economic growth and decent work for all on Sustainable Development Goals (SDG) India Index 2019, according to United Nations Development Programme (UNDP). The state has improved its performance over 2018 in eight out of 17 SDGs. In decent work and economic growth, India's youngest state moved to 82 percent from 75 percent in the previous year.

Telangana was followed by states of Andhra Pradesh (AP) and Karnataka together with a score of 72.

### **Bala Devi 1st Indian woman to become a professional footballer after being signed by Rangers FC**

Indian women's football star Ngangom Bala Devi has become the first Indian woman to earn a professional football contract abroad after signing for Scottish giant Rangers FC. The move, facilitated by Bengaluru FC which entered into a two-year collaboration with Rangers last September, was announced at the Sree Kanteerava Stadium. Bala Devi was named as AIFF Women's Player of the Year twice (2015 & 2016) and has been top-scorer in the Indian Women's League for 2 seasons.

### **Flame-Throated Bulbul 'Rubigula' official mascot for Goa 2020 National Games**

'Rubigula', Flame-Throated Bulbul, has been unveiled as the official mascot for the Goa 2020 National Games in Panaji, Goa.

Goa will be hosting the 36th edition of the National Games from 20th October to 4th November 2020.