

Economic Survey 2022 Highlights

The Economic Survey 2022 was presented by Finance Minister Smt. Nirmala Sitharaman. Presenting the highlights of the survey for the year 2022. One of the themes of this year's Economic Survey is 'Agile policy'.

Factors	Analysis
Growth Estimates	<ul style="list-style-type: none"> The Indian economy is estimated to grow by 9.2 percent in real terms in 2021-22.
GDP Estimates	<ul style="list-style-type: none"> GDP is projected to grow by 8-8.5 percent in real terms in 2022-23. It also noted that the GDP growth rate contracted by 7.3 per cent in 2020-21.
Strong revenue	<ul style="list-style-type: none"> The survey pointed out that revenues have witnessed a strong revival in FY22. This means that the government has fiscal room to provide support if necessary.
Imports-Exports	<ul style="list-style-type: none"> Exports are estimated to grow by 16.5 percent in 2021-22. Imports are expected to grow by 29.4 per cent in 2021-22.
Monetary Management	<ul style="list-style-type: none"> Repo rate was maintained at 4 per cent in 2021-22. The Gross Non-Performing Advances ratio of Scheduled Commercial Banks (SCBs) declined from 11.2 per cent at the end of 2017-18 to 6.9 per cent at the end of September, 2021. Capital to risk-weighted asset ratio of SCBs continued to increase from 13 per cent in 2013-14 to 16.54 per cent at the end of September 2021.
Prices and Inflation	<ul style="list-style-type: none"> The average headline CPI-Combined inflation moderated to 5.2 per cent in 2021-22 (April-December) from 6.6 per cent in the corresponding period of 2020-21. The decline in retail inflation was led by the easing of food inflation. Food inflation averaged at a low of 2.9 percent in 2021-22 (April to December) as against 9.1 per cent in the corresponding period last year.
Capital Spending	<ul style="list-style-type: none"> According to the Economic Survey, there can be a sharp increase in capital spending by the government as a demand and supply-enhancing measure.
Consumption	<ul style="list-style-type: none"> Total consumption is estimated to have grown by 7.0 per cent in 2021-22 with significant contributions in the form of government spending.
Agriculture	<ul style="list-style-type: none"> Agriculture and allied sectors remained the silver lining during the Covid-19 pandemic and are expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year.
Service Sector	<ul style="list-style-type: none"> The Covid-19 pandemic has hit the services sector the hardest. This sector is projected to grow by 8.2 per cent this financial year following the previous fiscal's

	8.4 per cent contraction.
Industrial Sector	<ul style="list-style-type: none"> The growth of the industrial sector has been estimated at 11.2 per cent in FY22.
Infrastructure	<ul style="list-style-type: none"> The top five sectors which capture around 83 percent of the aggregate pipeline value include: Roads (27 percent) followed by Railways (25 percent), Power (15 percent), oil & gas pipelines (8 percent) and Telecom (6 percent).
Air India Privatization	<ul style="list-style-type: none"> The Economic Survey has highlighted that the privatization of Air India was a significant step in terms of boosting the privatization drive and gathering disinvestment proceeds.
Agile Policy framework	<ul style="list-style-type: none"> The government's flexible and multi-layered response is partly based on an "Agile" framework that uses feedback-loops, and the use of eighty High Frequency Indicators (HFIs) in an environment of extreme uncertainty.
Startups	<ul style="list-style-type: none"> Startups in India have grown remarkably over the last six years. India has now become the third-largest startup ecosystem in the world after the US and China.
Global liquidity tapering	<ul style="list-style-type: none"> A combination of high foreign exchange reserves, sustained foreign direct investment, and rising export earnings will provide an adequate buffer against possible global liquidity tapering in 2022-23.
Forest Area	<ul style="list-style-type: none"> India has the tenth largest forest area in the world. In 2020, India ranked third globally in increasing its forest area from 2010 to 2020. In 2020, the forests covered 24% of India's total geographical area, accounting for 2% of the world's total forest area.
Sustainable Development	<ul style="list-style-type: none"> India's overall score on the NITI Aayog SDG India Index and Dashboard improved to 66 in 2020-21 from 60 in 2019-20 and 57 in 2018-19.
Climate Finance	<ul style="list-style-type: none"> As per the Economic Survey 2022, climate finance will remain critical to successful climate action for India to achieve its Net Zero Carbon Emission target by 2070.