



# 23-07-2024 NEWS

## Economic Survey of India

- The current fiscal year's economic growth is projected to be 6.5-7%, according to an economic report.
- The report for 2023-24, prepared by a team led by Chief Economic Advisor V. Anantha Nageswaran, was presented by Finance Minister Nirmala Sitharaman in Parliament.
- The report highlights the need to create more jobs, increase direct investments from China, and reduce imports from there.
- Inflation is under control. The GDP growth rate is estimated to be 6.5-7% for the current fiscal year.

## Economic Survey of India - Highlights

- India's economic growth is expected to be between 6.50% and 7.00%. In the previous fiscal year, it was projected to be 8.2% during the same period.
- The Reserve Bank of India estimated a GDP growth rate of 7.20% for the current fiscal year.

### **Inflation:**

- Short-term inflation in India will not have a significant impact. The current monsoon season and the prices of imported goods will play a key role in determining inflation.
- Retail inflation was controlled at 5.4% during the fiscal year 2023-24.

### **Employment:**

- On average, 7.85 million new jobs need to be created annually until 2030.
- The advent of artificial intelligence technology could impact employment across all skill levels.
- It may particularly affect sectors such as customer service, education, and healthcare.

### **Stock Market:**

- The contribution of retail investors to the stock market is increasing. The increased participation of retail investors brings stability to the capital market.
- However, expecting high returns contrary to actual market conditions is a concern.

### **Banks:**

- India's banking processes are effective. However, banks must be prepared to mitigate certain impacts.
- Banks should focus on generating and enhancing investments while prioritizing customer service.

### **Exports:**

- Despite global geopolitical issues, India's exports continue to increase. While merchandise exports have declined in 2023-24, service sector exports have risen.
- The target for goods and services exports this year is set at 56.40 lakh crore rupees.

### **Small Enterprises:**

- State governments should assist micro, small, and medium enterprises, which contribute nearly 30% to India's GDP, by simplifying loan approvals, digitization, and lending processes.

### **Research and Development:**

- India's expenditure on research and development is only 0.64% of GDP.
- In comparison, China spends 2.41%, the USA 3.47%, and Israel 5.71%.

### **Real Estate:**

- The demand for housing is increasing due to urbanization, leading to growth in the real estate sector. However, halting construction projects is a major challenge.

### **Tourism:**

- With the growth of artificial intelligence technology potentially causing job losses in production and service sectors, new opportunities in tourism should be utilized.

### **Telecommunication:**

- The government has collected 80,000 crore rupees through the 'Digital Bharat Nidhi' scheme. Five percent of the annual collection from this scheme will be allocated to research and development in telecommunications.
- India has advanced from 118th to 15th place in the global mobile broadband speed ranking in 2024.

### **Freight Transportation:**

- GST plays a crucial role in reducing transportation costs. The implementation of a single tax system has reduced waiting times at state borders, cutting freight travel time by 30%.
- India aims to be among the 'Top 25' in the World Bank's logistics index by 2030.

### **Electronics:**

- In the fiscal year 2023-24, 14% of the total iPhone production was done in India.
- Additionally, India has moved up four places in the global electronics exports ranking.