



# Economic Survey 2020-21

**Volume 1**

Government of India  
Ministry of Finance  
Department of Economic Affairs  
Economic Division  
North Block  
New Delhi-110001  
E-mail: [cordecndn-dea@nic.in](mailto:cordecndn-dea@nic.in)  
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**Krishnamurthy V. Subramanian**  
Chief Economic Adviser  
Ministry of Finance  
Government of India





## Preface

ॐ असतो मा सद्गमय । तमसो मा ज्योतिर्गमय ।

**O Lord, Keep me not in Unreality, but make me go towards the Reality,  
Keep me not in Darkness, but make me go towards the Light.**

Economic Survey 2020-21 is an ardent tribute to the immortal human spirit of grit and compassion encapsulated by the tireless battle against the pandemic by our frontline COVID-19 warriors. In the midst of the most unfathomable global health emergency experienced in modern history, the resolve of each Indian helped find its way from the darkness of ‘lives vs livelihoods’ to the glow of ‘#SavingLives&Livelihoods’. The foresight of our collective vision to battle this pandemic became evident when policy insights and implementation at the Centre, State and local level converged to initiate a V-shaped economic recovery. This spirit resonated in the recent Team India’s victory in Australia where their resilience to rebound from 36 all out to winning the Test series was a V-shaped performance indeed! Similarly, after experiencing a sharp contraction of 23.9% in first quarter of 2020-21, India is expected to be the fastest growing economy in the next two years. Projections by various national and international agencies including the IMF project this resilience of the Indian economy.

Through this year, as India bravely fought the global pandemic, it charted its own unique trajectory – showing remarkable resilience, be it fighting the virus or ensuring economic recovery. This resilience is driven by the strength of our systems that enforced the graded public health measures, ramped up the health response, ensured free food grains to 80 crore people and gave momentum to the economic recovery. India derived its strength from the support of 137 crore Indians who practised social distancing, wore masks and industriously contributed to the fight.

Team@Eco Survey, 2020-21 recognises the integral role of effective policymaking in charting the path to economic growth and social development. The upturn in the economy while avoiding a second wave of infections makes India a sui generis case in strategic policymaking, of being fearless to choose the road less travelled by; for in the end, that makes all the difference. India’s human-centric policy response to the pandemic, tailored to India’s unique vulnerabilities, demonstrated the power of upholding self-belief under immense uncertainty. India transformed the short-term trade-off between lives and livelihoods into a win-win in the medium to long-term that saves both lives and livelihoods. Empowered by vision and foresight, India turned this crisis into an opportunity by ramping up its health and testing infrastructure and implementing a slew of seminal reforms to strengthen the long-term growth potential of the economy.

Clarity of objectives is imperative in policymaking as the various macro-economic policy choices always present inherent trade-offs. The Survey makes the case for continued focus on economic growth as the most important objective for India at its stage of development. Survey, then, delineates the constituents that would strengthen effectiveness of policymaking – continued reforms, innovation, timely regulatory support and withdrawal of forbearance. Continuing the endeavours of previous Surveys to relate economics to a common person, this year the Survey constructs an index of ‘the bare necessities’ across States in India.

Digital Technology has been the ‘sprint runner’ of this year that enabled us to tide over the disruptive effects of the pandemic. As a recognition of its role, the Survey this year has gone digital. To enhance the e-readability, for the first time, the aligning of the text in the Survey is in a single column. We chose to continue with the popular tradition of presenting the Survey in two volumes. Volume I, attempts to provide evidence based economic analyses of the challenges of policymaking and tools to make it more effective. Volume II reviews recent developments in the major sectors of the economy with a focus on the challenges faced due to the pandemic this year. This would serve as the ready reckoner for the existing status and outlook for the sectors.

The Economic Survey attributes its existence and popularity to the collaborative effort of all Ministries and Departments of Government of India, the prodigious resource base of the Indian Economic Service officers, valuable inputs of researchers, consultants and think tanks both within and outside the government and the consistent support of all officials of the Economic Division, Department of Economic Affairs. The Survey has made a sincere effort to live up to the expectation of being an indispensable guide on performance, challenges and prospects of the Indian economy.

As our former President Dr A.P.J. Abdul Kalam said “*When we tackle obstacles, we find hidden reserves of courage and resilience we did not know we had.....We only need to find them and move on with our lives*”. This year is a testimony to the resilience and intrinsic strength of the fundamentals of the Indian society and the economy. We present this year’s Survey with a deep sense of confidence that Indians have demonstrated to come out victorious against any adversity. The Survey salutes this self-belief of 137 crore Indians.

**Krishnamurthy V. Subramanian**  
Chief Economic Adviser  
Ministry of Finance  
Government of India

## ABBREVIATIONS

AB PMJAY	Ayushman Bharat Pradhan Mantri Jan Arogya Yojana
ACSQHC	Australian Commission on Safety and Quality in Health Care
AE	Advanced Economies
AGM	Annual General Meeting
AIDIS	All India Debt and Investment Survey
ALM	Asset-liability management
ALP	Advanced Leadership Program
AM	Ayushman Mitra
ANB	Atma Nirbhar Bharat
ANZSOG	Australia and New Zealand School of Government
APAR	Annual Performance Appraisal Report
APMC	Agricultural Produce Market Committee
APS	Australian Public Service
AQR	Asset Quality Review
ARC	Administrative Reforms Commission
ASEAN	Association of Southeast Asian Nations
AUS	Australia
AUT	Austria
BDO	Block Development Officer
BEL	Belgium
BIS	Beneficiary Identification System
BNI	Bare Necessities Index
BPL	Below Poverty Line
BPO	Business Process Outsourcing
BRICS	Brazil, Russia, India, China, and South Africa
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CAN	Canada
CAR	Capital Adequacy Ratio
CCS	Covenanted Civil Service
CCS	Central Civil Service
CEO	Chief Executive Officer
CFR	Case Fatality Rate
CHE	Switzerland
CMS	Centres for Medicare & Medicaid Services
COVID-19	Coronavirus Disease
CPI	Consumer Price Inflation
CPRS	Central Policy Review Staff (UK)
CRA	Credit Rating Agency
CSC	Civil Service Commission
CSC	Common Service Centres
CSR	Corporate Social Responsibility
CVC	Central Vigilance Commission
CXP	Current External Payments
CXR	Current Account External Receipts
DA	Dearness Allowance
DARPG	Department of Administrative Reforms and Public Grievances

DEU	Germany
DHHS	Department of Health and Human Services
DiD	Difference-in-Difference
DISCOM	Distribution Company
DM	Deputy Minister
DNK	Denmark
DOPT	Department of Personnel and Training
DOTS	Directly Observed Therapy, Short course
EME	Emerging Market Economies
EoDB	Ease of Doing Business
ESP	Spain
ETC	Electronic Toll Collection
FC	Foreign Currency
FDI	Foreign Direct Investment
FE	Fixed Effects
FIN	Finland
FMI	Financial Management Initiative
FPI	Foreign Portfolio Investment
FRA	France
FSB	Financial Stability Board
FTE	Full Time Equivalent
G-20	Group 20
GAO	General Accountability Office
GBR	United Kingdom
GCF	Gross Capital Formation
GDP	Gross Domestic Product
GEI	Government Effectiveness Index
GeM	Government e Marketplace
GERD	Gross Domestic Expenditure on Research & Development
GFC	Global Financial Crisis
GII	Global Innovation Index
GNPA	Gross Non-Performing Assets
GRC	Greece
GSDP	Gross State Domestic Product
G-Sec	Government Securities
GVA	Gross Value Added
HCR	Human Capital & Research
HDE	Human Development Expenditure
HoD	Head of Department
HR	Human Resources
HRM	Human Resource Management
IAS	Indian Administrative Service
IBBI	Insolvency and Bankruptcy Board of India
IBC	Insolvency and Bankruptcy Code
ICS	Indian Civil Service
ICT	Information & Communication Technology
iGOT	Integrated Government Online Training
IIP	Index of Industrial Production
IMF	International Monetary Fund

IMR	Infant Mortality Rate
INR	Indian Rupee
IPCR	Individual Performance, Commitment and Review
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IRGD	Interest rate- growth differential
IRL	Ireland
ISR	Israel
IT	Information Technology
ITA	Italy
ITAT	Income Tax Appellate Tribunals
JPN	Japan
JV	Joint Venture
KTO	Knowledge & Technology Outputs
L1	Least Cost Criteria
LMIC	Low and Lower Middle Income
MCA	Ministry of Corporate Affairs
MDG	Millennium Development Goal
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MINIS	Management Information System for Ministers
MLP	Medium to Long Term Plan
MMR	Maternal Mortality Rate
MNC	Multinational Corporation
MoHFW	Ministry of Health and Family Welfare
MoM	Month on Month
MoSPI	Ministry of Statistics and Program Implementation
MPM	Ministry of Personnel Management
MSBY	Mukhyamantri Swasthya Bima Yojana
MSME	Micro, Small and Medium Enterprises
NABH	National Accreditation Board for Hospitals & Healthcare Providers
NBER	National Bureau of Economic Research
NCD	Non Communicable Disease
NCD	Non Convertible Debentures
NCLAT	National Company Law Appellate Tribunal
NCLT	National Company Law Tribunal
NFHS	National Family Health Survey
NHA	National Health Authority
NHCP	National Health Care Providers
NHM	National Health Mission
NHS	National Health Service
NII	High Net-Worth Individual Investor
NIP	National Investment Pipeline
NIPFP	National Institute of Public Finance and Policy
NLD	Netherlands
NMR	Neonatal mortality rate
NOR	Norway
NPAs	Non-Performing Assets
NPI	Non Pharmaceutical Interventions
NPM	New Public Management

NSDL	National Securities Depository Limited
NSDP	Net State Domestic Product
NSE	National Stock Exchange of India Limited
NSO	National Statistical Office
NSQHS	National Safety and Quality Health Service
NSS	National Sample Survey
NSSO	National Sample Survey Office
NZL	New Zealand
ODF	Open Defecation Free
OECD	Organisation for Economic Co-operation and Development
OLS	Ordinary Least Square
OOP	Out of Pocket
OOPE	Out of Pocket Expenses
OPD	Outpatient Department
OPM	Office of Personnel Management
OSP	Other Service Providers
OxCGRT	Oxford COVID
PF	Provident Fund
PHACO	Phacoemulsification
PLI	Production Linked Incentive
PMAY	Pradhan Mantri Awas Yojana
PMGKY	Pradhan Mantri Garib Kalyan Yojana
PMJAY	Pradhan Mantri Jan Arogya Yojana
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMO	Prime Minister's Office
PPE	Personal Protective Equipment
PPP	Purchasing Power Parity
PRP/P4P	Performance Related Pay/Pay for Performance
PRT	Portugal
PSB	Public Sector Bank
PSC	Public Service Commission
QIB	Qualified Institutional Buyer
QOF	Quality & Outcome Framework
R&D	Research and Development
RBI	Reserve Bank of India
REP	Ricardian Equivalence Proposition
RFD	Results Framework Document
RHS	Right Hand Side
RII	Retail Individual Investor
RPTs	Related party transactions
RQ	Regulatory Quality
RSBY	Rashtriya Swasthya Bima Yojana
S&P	Standard & Poor
S&T	Science & Technology
SAG	Senior Administrative Grade
SBM	Swachh Bharat Mission
SCS	Senior Civil Servant
SDG	Sustainable Development Goals
SEA	South-East Asia(n)

SECC	Socio Economic Caste Census
SEQI	School education Quality Index
SES	Senior Executive Service
SGP	Singapore
SHI	Statutory Health Insurance
SICS	Small incision cataract surgery
SLWM	Solid & Liquid Waste Management
SPARROW	Smart Performance Appraisal Report Recording Online Window
SPMS	Strategic Performance Management System
SRM	Sovereign Analytical Pillars
SSC	Staff Selection Commission
SWE	Sweden
TB	Tuberculosis
U5MR	Under-Five Mortality Rate
UK	United Kingdom
UN	United Nations
UNICEF	United Nations Children's Fund
UPSC	Union Public Service Commission
US	United States of America
USA	United States
UT	Union Territory
WGI	Worldwide Governance Indicators
WHO	World Health Organization
WIPO	World Intellectual Property Organisation
YoY	Year on Year

