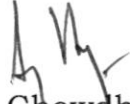


No. A-45011/4/2021-Admn.III
Government of India
Ministry of Finance
(Department of Economic Affairs)

New Delhi, 10th September, 2021

OFFICE MEMORANDUM

The undersigned is directed to circulate herewith the unclassified portion of Monthly Summary on important policy decisions in respect of Department of Economic Affairs for the Month of July, 2021.



(Arup Shyam Chowdhury)

Deputy Secretary to the Government of India

Tel No. 23095091

To

1. All Members of the Union Council of Ministers, Government of India, New Delhi.
2. Vice Chairman, Niti Aayog, Yojna Bhawan, New Delhi.
3. Cabinet Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
4. Secretary to the President of India, Rashtrapati Bhavan, New Delhi.
5. Secretary to the Vice-President of India, 6, Maulana Azad Road, New Delhi.
6. Principal Secretary to the Prime Minister, PMO, South Block, New Delhi
7. Chairman, Union Public Service Commission, Dhoolpur House, New Delhi.
8. All Members of Niti Aayog, Yojna Bhawan, New Delhi.
9. Secretaries to all the Ministries/Departments, Government of India, New Delhi.
10. PS to MOS (F), PPS to Finance Secretary, PPS to Secretary (EA), PPS to Secretary (Revenue), PPS to Secretary (Expenditure), PPS to Secretary (DIPAM).
11. Chief Economic Adviser, DEA.
12. Additional Secretary (Shri A. Giridhar) Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
13. Shri K. Rajaraman, Additional Secretary (Admn. & Investment), DEA.
14. Ms.Meera Swarup, AS&FA(Finance).
15. Shri A.M. Bajaj, Additional Secretary (FM), DEA
16. Shri Rajat Kumar Mishra, Additional Secretary (Budget), DEA.
17. Shri Sanjeev Sanyal, Principal Economic Adviser, DEA
18. All Heads of Divisions in Department of Economic Affairs.

Sr.Adviser (C&C/FSLR/FS&CS)/JS (IPF)/JS(Budget)/JS (C&C)/
JS(Inv)/ Advisor(BC) /Adviser (Admn)/ Advisor (Investment) / Advisor
(Economic Division) / Advisor (IER) / Advisor (IPF) / CAAA.

19. Shri Rajesh Malhotra, Addl.DG (M&C), M/o Finance, North Block, New Delhi.
20. Guard File – 2021.

No.A-45011/4/2021-Admn.III
Government of India
Ministry of Finance
(Department of Economic Affairs)

Subject: Monthly Summary on important policy decisions pertaining to Department of Economic Affairs (DEA) for the month of July, 2021.

1. Macro-Economic Overview

The Indian economy is showing signs of revival from the impact of the COVID-19 second wave on the back of targeted fiscal relief, monetary policy measures, and a rapid vaccination drive. The broad-based economic relief package, extended to mitigate the second wave, amounted to Rs. 6.29 lakh crore. RBI continues with its efforts to calm the nerves of the market and revive sectors with both backward and forward linkages and multiplier effects on growth.

Resilient tax collections of the Central Government and continued fillip to capital expenditure, particularly in the road and rail sector, augurs well for continued economic recovery driven by capital expenditures. The recently announced economic relief package is expected to further oil the wheels of the capex cycle via implementation of the PLI scheme and streamlining of processes for PPP Projects and Asset Monetization. Consumption sentiment is expected to pick up with further enhancement of employment support under Atmanirbhar Bharat Rozgar Yojana (ANBRY), targeted support to the urban poor through the credit guarantee scheme for on-lending by micro-finance institutions, and wider Bharat-Net digitisation coverage. Free food-grain and enhanced fertilizer subsidies under the package along with continued MGNREGA implementation, on the other hand, would serve as a cushion for rural demand in the coming quarters. Maintaining a rapid pace on vaccination and quickly bridging health care infrastructure gaps across both urban and rural areas would emerge as the most sustainable stimulus for durable recovery of the Indian economy.

As per the Provisional Estimates of GDP released by National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), real GDP growth is estimated to contract by 7.3% in 2020-21 as against a growth of 4.0% in 2019-20 (Table 1 of the Annexure).

As per the latest annual Periodic Labour Force Survey of 2019-20 released on 23rd July, 2021, labour force participation rate i.e. supply of labour, increased

Contd./-