THE HINDU CENTRE
for
Politics and Public Policy

Passing off Politics as Economics

PUJA MEHRA

29 MAY 2018 15:41 IST

Prime Minister Narendra Modi at a public rally to mark the fourth anniversary of the NDA government in Cuttack, Odisha, on May 26, 2018. Photo: PTI

As Prime Minister Narendra Modi completes four years in office this month, it is becoming increasingly clear that his government has fallen short on the promises made during the 2014 election campaign. The economy has performed below expectations, and some of the economic metrics today are weaker than what the country witnessed in the last years – labelled the 'policy paralysis' phase – of the second term of Manmohan Singh Government. As senior journalist Puja Mehra points out, economic discontent and insecurities are on the rise, Dalits and farmers are restive, and traditionally land-owning classes are demanding quotas in government jobs. The middle class is palpably disaffected, the informal economy is struggling, big business is quiet, and the clamour for infrastructure and skill development has all but died.

Prime Minister Narendra Modi often reminds us that his brand of economics – or Modinomics, as it has come to be known – has seen India race past China to grow at a world-beating growth rate. But for ordinary Indians this offers little comfort when petrol and diesel retail prices are at historic highs, even though international prices are not. Savings earn little. Well-paying jobs are hard to find.

Former Prime Minister Manmohan Singh, not given to rash locution, said last fortnight that the National Democratic Alliance (NDA) Government's handling of economic affairs is so poor, it has eroded people's trust in the public banking system, the lifeblood of the economy.

As the country braces for the next general election, it might be instructive to examine what really is the state of the economy, whether it is better poised now for take-off to 10 per cent growth, essential for transiting from middle-income to high-income status, and what Modi's term, as he starts his fifth year, tells us about his economic philosophy, policy, and strategies.

Below-potential growth

In 2014, the economy Modi inherited was recovering from severe macroeconomic shocks and a growth slowdown. As growth gradually bottomed out, there was fresh momentum with the period between 2012-13 and 2015-16 witnessing annual growth rates of 5.5 per cent, 6.4 per cent, 7.4 per cent, and 8.2 per cent[1]. Growth started losing pace in the second year of Modi's tenure. The annual rates in the next two years were 7.1 per cent and 6.6 per cent. Growth is projected to rebound to 7.4 per cent[2] this year.

The economy may return to the path of recovery, but forecasters are silent on how long it will take to hit 9 per cent plus growth, seen in the United Progressive Alliance (UPA) Government's first tenure [Note 1]. Quality jobs can only emerge from that kind of high growth. The growth potential may be lower now also because it is no longer investment-led.

The drivers are private consumption and government expenditure which can sustain growth only up to a point. The engine of sustainable high growth investments is out of steam: From a high of 34.3 per cent in 2011-12, investment-GDP ratio dropped to 28.5 per cent in 2017-18[3].

The investment slowdown, on for more than five years now, has deepened with each passing year, as the Modi-led NDA government has remained blind to the urgency of reforming the decrepit public banking system. The government kept putting off cleaning up the bad bank loans mess, jamming the smooth flow of credit flow to investment projects, ultimately entrusting the task to the Reserve Bank of India last year. The first bad loan resolution (Tata Steel's takeover of Bhushan Steel) was concluded just this month. Investments are unlikely to recover the lost fizz until the flow of credit in the economy unclogs.

Is there a growth strategy?

Originally, the government had identified manufacturing as a growth engine given its capacity to create jobs that can absorb the slack from the farms. But the government did not follow through with a strategy for easing the constraints and challenges that were holding back manufacturing. What we have seen instead is that the sector has been plunged into a crisis through a mix of policy errors of commission and omission.

Manufacturing growth in 2017-18 is estimated at 5.1 per cent, just a shade higher than the 5 per cent reached in 2013-14, the peak year of the UPA government's 'policy paralysis' phase[4]. On the other hand, the five-year period, 2005-06 to 2009-10, was one of 10 per cent-plus growth for manufacturing. The 12-fold jump in imports of electronic goods from $3.4 billion in 2011-12 to $42 billion in 2016-17 demonstrates the non-success of the flagship 'Make In India'[5].

The exports story is no different. Exports could have supplemented growth and jobs-creation but have grown weaker than they were at the height of the UPA government's 'policy paralysis' phase. At the end of Modi's four years of governance, exports are down to $303 billion[6] from $312 billion[7]. As a percentage of GDP, they are down from 17.2 per cent to 12.4 per cent[8]. This when exports from other emerging market economies are trending up via capitalising on the pickup in global growth. In garments and textiles, India was second only to China but has slipped to the fifth and third positions respectively in the two sectors.

Why is the NDA government's economic growth engine sputtering? The answer may lie in politics, not economics.

No more 'Make in India'

Prime Minister Modi had launched his 'Make In India' project in the company of big capitalists, sharing the stage on a couple of occasions with the owners of large corporations. The slogan 'suit-boot-ki-sarkar' coined in response by the Congress, evoked the imagery of a prime minister cosy with owners of large corporations. This was back in April 2015. Stung to the quick by the jibe, the BJP, undoubtedly still haunted by the ghost of 'India Shinning', changed its course.

In contrast to the year before, Prime Minister Modi spoke of farmers, not 'Make In India'[9] in his second Independence Day speech from the ramparts of the Red Fort on August 15, 2015. He announced 'Start Up India' and 'Stand Up India' to rebut the Opposition's charge that he ran a pro-big business government.

The 'suit-boot' slogan forced a retreat from the land acquisition reform; indeed after this the NDA government went cold on its entire reform agenda: putting on hold, diluting or postponing planned corrective measures for labour, insolvency, and banks. The focus has since then been on schemes, not reforms. Even the Goods and Services Tax's (GST) rate structure and compliance have been bogged down by the need for political messaging. The GST, supposedly a 'one nation, one tax' reform, has been treated like a populist scheme, a conduit for appeasing vote banks. A case in point is the reduction in GST on Gujarati savouries before the Gujarat assembly polls. With an eye on the 2019 general election, efforts are now underway to introduce a 'sugar cess' to compensate sugarcane farmers for losses.

The GST, supposedly a 'one nation, one tax' reform, has been treated like a populist scheme, a conduit for appeasing vote banks.

The return of the Manmohan Singh Government in 2009 is attributed to its 'pro-poor' policies, among them a loan waiver for farmers and the Mahatma Gandhi National Rural Employment Guarantee Scheme. Eager to discard the 'pro-business' tag, the BJP decided to invest similarly in a 'pro-poor' image.

'Make In India' was side-lined and a hunt was launched for a 'politically saleable' scheme. Then came demonetisation which was marketed as an assault on the rich and black money hoarders. So effective was Modi's PR on DeMo that his government almost overnight transformed from being seen as a 'friend of the super-rich' to 'saviour of the poor and the downtrodden'.

Demonetisation – a failure

And yet, the politics of demonetisation was to prove costly for the economy. It happened against the tide of opinion among bureaucrats and technocrats that it will not downsize the black economy or force-formalise the informal sector and that there were better ways of achieving the same results at a lower cost. That Modi pushed full force on demonetisation, ignoring the counsel strongly suggests that the move was in fact a political pursuit aimed at negating the 'big money' narrative. The Modi Government's black money disclosure schemes had yielded minimal results and even less political mileage. After the drubbing the BJP received in Delhi in early 2015, the danger loomed of the anti-corruption mantle being seized by the Aam Aadmi Party's Arvind Kejriwal. Demonetisation held the promise of killing many political birds with one stone. It kept the black money rhetoric alive, gifted the government a brand new pro-poor image and delivered rich electoral dividends in the Uttar Pradesh State assembly polls.

Demonetisation kept the black money rhetoric alive and delivered electoral dividends in Uttar Pradesh.

But, as was in fact expected, it did not bring to book big ticket black money hoarders. Nor did it substantially improve income tax collections. The direct taxes-GDP ratio inched up to 5.9 per cent in 2017-18, significantly lower than the peak 6.3 per cent[10], in 2007-08 under the UPA-I government.

Demonetisation's political charge spent, Modi is all set to rollout in the last year of his elected five-year term a healthcare scheme directed at the poor.

Even as the making and remaking of governance agendas was on as decreed by political calculations, the real economy began losing steam. The growth strategy floundered. In all fairness, policy failures of the incumbents must be separated from the legacy issues, one of them being the inherited bad bank loans mess that remains unresolved.

A messy GST

And yet, GST and demonetisation have only further dampened the growth impulses, stalling recovery. The NDA government did not provide the necessary policy support to investments and exports, the two growth-generators in the UPA years, or manufacturing, its own choice of growth engine. Many of its policy decisions, in fact, added to the economic hardships firms and people faced. If demonetisation led to demand destruction, the GST rollout has had disastrous effects on the supply side. The twin shocks compounded the problems of industry, big and small, that had just begun to shake off a slowdown.

In rural India, despite a bumper harvest and the Prime Minister's lofty promises from the ramparts of the Red Fort, farm incomes crashed. Despite good rains, export controls and stocking limits for private traders and imports were managed poorly, resulting in gluts that sent market prices down, leading to farm loan waivers across States[11]. A clutch of IT and other companies cut a few thousand jobs, resulting in urban Indians getting laid off[12].

Macroeconomic stability

The NDA government is credited with preserving macroeconomic stability by exercising control on such factors as inflation, current account and fiscal deficits as well as the excess respectively of imports over exports and expenditure over revenues. It did succeed on all these fronts initially, helped in no small measure by the benign international crude prices that kept the import bill down.

But both the deficits, which have been the traditional vulnerabilities, have shot up again. The sharp upturn in crude prices, something not in the government's control, has been cited as the provocation. But that is not the whole story. Exports could have offset the rising oil import bill. That buffer has thinned out because of policy apathy.

The current account deficit is one of the twin deficits that led to the balance of payments crisis in 1991. The other being the fiscal deficit. Both had risen to precariously high levels in the second tenure of the UPA Government which pared them down by recognising the risks and taking corrective steps. These macroeconomy metrics were recovering by the time the UPA-II government left office.

In his speeches, Prime Minister Modi often invokes the International Monetary Fund's (IMF) praise and projections in support of the NDA government's performance. To paraphrase: India is out of the 'Fragile Five' grouping, and, growing at a world-beating rate, it has leap frogged ahead of China.

No match to China

In truth, China deliberately cooled down its economy, shifting gears from a model of debt-fuelled infrastructure and low-cost exports towards a slower but more sustainable growth.

The 'Fragile Five' epithet referred to the emerging-market economies – India, Brazil, South Africa, Indonesia and Turkey – that were hit the most by the 'taper tantrum' of the U.S. Federal Reserve back in the summer of 2013. The 'taper tantrum', a reference to the Fed's initiation of the winding down of its monetary policy stimulant, triggered, in India's case, sharp volatility in the rupee and a spike in the current account deficit.

The current account deficit had run up to the unsustainable level of 4.7 per cent of GDP in 2012-13. The UPA government managed to narrow this to 1.7 per cent before exiting office in 2014. The NDA government brought it further down to 0.7 per cent by 2016-2017, walking away with the credit for the pull-back. In actual fact, the remark that India had impressed by exiting the 'Fragile Five' had been made much earlier – back in October 2014 – by the IMF India Mission Chief Paul A. Cashin[13], The timing of the remark, within five months of the government changing, suggests that Cashin could not have been referring only to the Modi Government.

The current account deficit is expanding again. For this fiscal year, it is projected to be wider than what the NDA government had inherited. Brent crude even at an optimistic projection of $65 a barrel will send it up to 2.4 per cent of GDP, which is higher than in 2013-14[14] when the average Brent price was well above $107 a barrel. The weaker projection, despite lower oil prices, is because of the stagnation in exports, which in turn suggests that the NDA government's policy failures are beginning to feed macroeconomic vulnerabilities. Poor policies weaken defences against external shocks to an extent where even small disruptions disproportionately erode macroeconomic stability.

Initially, the NDA government had done well in holding the purse strings. It missed the fiscal deficit reduction target for 2017-18, reaching 3.4 per cent of GDP instead of 3.2 per cent, though presenting this with the help of some creative accounting[15].

The debt-GDP ratio for the year, consequently, is expected to increase, rather than fall which was the trend until recently.

The UPA-II Government was strongly criticised for its fiscal irresponsibility but the NDA government has fallen behind it on reducing the deficit.

The UPA-II Government was strongly criticised for its fiscal irresponsibility but the NDA government has fallen behind it on reducing the deficit. After pushing the fiscal deficit to 6.5 per cent, UPA-II lowered it to 4.5 per cent, the level at which it bequeathed it to the NDA government[16]. The average annual rate of reduction of the fiscal deficit relative to GDP from 2009-10 to 2013-14 was 0.3 percentage points per year[17]. From 2014-15 to 2018-19 this comes to 0.2 percentage points per year.

The average reduction margin of the central debt-GDP ratio was 1.1 percentage points and 0.5 percentage points per year in the two regimes, respectively. The performance on revenue deficit reduction is the same.

Originally, the Fiscal Responsibility and Budget Management (FRBM) Act specified a target of 3 per cent of GDP. Since its passage in 2003, this target has been achieved only once, in 2007-08, when the UPA government reduced the fiscal deficit to 2.5 per cent. The target has not been achieved again after that. The Act was amended twice, in 2012 and again in 2015, to defer the deadline for achieving the 3 per cent target to 2017-18. The NDA government is not even trying to meet the goal now. The Budget this year amended the FRBM Act, for a third time, deferring the target to 2020-2021.

More importantly, the quality of the deficit has deteriorated. Union government finances have been brought under pressure not by capital spending push. Declining progressively from 2016-17, when it was 1.87 per cent of GDP, capital expenditure, as of 2017-18, has fallen to 1.63 per cent [Note 2]. Nor is the fiscal slippage due to the transition to the GST.

Rather, revenue deficit is feeding it. Revenue deficit in 2017-18, bloated to 2.6 per cent [Note 2] of GDP from 1.9 per cent in the previous year, driven by the outgo on pensions, salaries, and subsidies. The NDA government accepted the VII Pay Commission's without introducing administrative reforms or merit-based assessments, and awarded a generous 23.5 per cent hike to over one crore central government employees and pensioners. Despite its slogan of 'minimum government', it could not resist the populist move.

A country may borrow so long as it does so for capital spending, but not to pay for salaries and pensions of its employees. The idea behind enacting the FRBM Act was to force the Union government to switch from consumption to capital spending, which has superior multiplier effects on economic growth. The FRBM Act required the Union government to eliminate its revenue deficit by the end of 2016. The amended revenue deficit target was 2 per cent of GDP by 2017-18.

A committee the NDA government had appointed to review the FRBM targets under N.K. Singh had recommended reducing the revenue deficit to 0.8 per cent by 2022-23. Rejecting this, the government deleted the revenue deficit target from the FRBM Act[18], suggesting it has given up on the reform altogether.

The government has, in fact, repetitively relaxed fiscal rectitude targets it gave itself. It adopted new statutory anchors and debt-GDP ratios for the Central government and general (centre + States) government on the suggestion of the N.K. Singh committee. The panel suggested reducing these to 40 per cent and 60 per cent of GDP by 2022- 23, but the government has instead adopted 2024-25 as the deadline. The target set in the 2015-16 Budget for the Centre's debt-GDP ratio was 42.8 per cent for 2017-18. The 2016-17 Budget relaxed it to 46.8 per cent.

If the UPA-II's management of the macroeconomy was bad, the NDA's handling could turn out to be worse.

As general elections approach, the political class tends to throw caution to the winds, often sidelining counsel from government's specialists and underestimating the macroeconomic risks. The UPA government, helmed by a distinguished economist, made the mistake. The NDA government is doing the same; The influence of the Finance Ministry and the Reserve Bank of India has waned.

If the UPA-II Government's management of the macroeconomy was bad, the NDA government's handling could turn out to be worse. It is reducing fiscal deficit at a rate slower than UPA-II; it has paused, postponed or altogether abandoned reduction targets. The current account deficit could be wider, despite lower oil prices, this year than the level inherited from the UPA.

Populist instinct

An abiding impression about NDA/BJP governments is that they are/have been fiscal hawks. But his government's record shows that Modi is not. He has been called, somewhat sympathetically, a reluctant and a piecemeal reformer. For raising the medium and long-term growth potential, the NDA government could have picked from the backlog of unfinished reforms pending from 1991: land, labour, banks, agriculture, political funding, government administration, the public sector, health and education. Not one of these was taken up wholeheartedly. Ideally, a road map should have been drawn up, with the easier tasks being carried out first to demonstrate early results, facilitating a consensus on deeper, tougher reforms going forward.

The pause on the decontrol of diesel and petrol prices during the Karnataka State polls is reminiscent of the previous regimes' abiding faith in state controls. Reports suggesting that the state-owned ONGC may be instructed to absorb a part of the losses so that retail prices can be cut, even as the hefty tax components remain unaffected, only confirm the predisposition. As does the track record of selling shares of public sector companies to the public or other government-owned companies as a way of disinvestment. The transactions result in no dilution of government control or interference in the running of the public-sector companies.

The generous pay and pension hikes awarded to government employees, without measuring their performance, suggest Modi is not one to miss an opportunity for populism.

It would seem that Modi has strayed a long distance from the original mandate.

The speed of growth is one thing, quality quite another. The number of Indians that exited poverty in the UPA Government's 10 years is the highest ever[19]. Modi who advocates 'development' in his electoral campaigns, has not picked a poverty line from the proposals on his table. Neither the poverty line proposed by the C. Rangarajan committee nor the alternative proposal submitted by Arvind Panagariya has caught the Prime Minister's attention in the past four years.

His record on poverty reduction, therefore, remains unknown. The early shift towards 'pro-poor' policies, but with no emphasis on measuring poverty, in fact, places Modi among populists with little or no attention to detail. Modi gives the impression of carelessness, of not being discerning. GST is a good idea. But the problem is his government has been passing off a complicated, arbitrary tax as GST without being able to distinguish between a good, well-formulated structure and knee-jerk responses to demands.

A major promise made by the Modi Government in 2014 was to end 'tax terrorism.' In the context of the UPA Government, this referred to the phenomenon of unpredictable and retrospectively changed tax measures. However, the term has acquired new meaning currently with the Prime Minister and his Finance Minister, Arun Jaitley, equipping tax officials with extraordinary powers, all in the name of fighting black money.

Modi has clearly not considered that coercive tax collection might itself become the fount of black money creation. Demonetisation represents a failure to recognise and respect the dignity of ordinary and entirely honest Indians.

The drift

Modi's campaign in the run up to 2014 elections was premised on an anti-establishment challenger subverting the prevailing order for a better future, the 'achche din'. He won a decisive mandate for change. Indians voted for an economy in which more and more people would get quality jobs, health and education. Corruption would be lower, banks safer, quality of life better and economic justice more equitable. In the promised land, the rich and powerful would be held to account, the others less disadvantaged.

It would seem that Modi has strayed a long distance from the original mandate. Economic discontent and insecurities are on the rise. Dalits and farmers are restive. Even traditionally land-owning classes are demanding reservations in government jobs. Although not out on the streets, the middle class is palpably disaffected. The informal economy is struggling. Big business is quiet; the clamour for infrastructure and skills has died. There is a reluctance to speak up though projects stall at a rate worse than at the height of the 'policy paralysis' phase of the UPA government[20].

In the final analysis, it would seem that Modi is not a reformer by instinct, conviction or persuasion. Politics, not economics, drives him. The economy under him is not significantly reformed; the high-growth path remains out of reach. Commentators may be overstressing his government's record on the macroeconomy and understating the policy slip-ups.

Of course, not all of India’s problems are of Modi's making. Previous governments cannot escape accountability, and, four years is too short a period to fix all that is broken.

Of course, not all of India’s problems are of Modi’s making. Previous governments cannot escape accountability for the current mess. And, to be fair, four years is too short a period to fix all that is broken. Economic revival, though, certainly was in the realm of possibility; a return to the 8 per cent-plus growth path ought to have been the top priority but was not.

His government seems hardly affected, though. It believes that loss of growth is a sacrifice, a price paid for increasing tax-compliance. Whether the black economy has shrunk is not empirically proven yet. The government has also allowed itself to be persuaded, by an analysis of payroll data not backed yet by academic research, that a great number of well-paying jobs were produced in the last three years. The economic agenda has plateaued: Policy response has been minimal to the renewed clamour, after the Nirav Modi fraud blew up, for reforming the decrepit public-sector banking system, the single largest risk to the economy’s stability. Complacency has set in.

The Union budget two and a half months ago signalled a shift in focus to electoral politics. The coming general election is of course critical for national politics, but what of the economy that is badly in need of a kickstart?

Notes:

Note 1: Old, 2004-05 base year GDP series, as the Central Statistics Office has still not released the back series for years before 2012-13 after updating its estimation methodology

Note 2: RE 2017-18, Union Budget 2018-19

References:

[All URLs last accessed on May 29, 2018.]

1. **Office of the Economic Adviser. 2018.** Key Economic Indicators May, 2018. Department of Industrial Development and Policy, Ministry of Commerce and Industry, Government of India. [http://eaindustry.nic.in/key_economic_indicators/Key_Economic_Indicators.pdf].

2. **PTI. 2018**. "Real GDP growth may expand to 7.4% in 2018-19: RBI Governor", *The Hindu BusinessLine*, April. [https://www.thehindubusinessline.com/economy/real-gdp-growth-may-expand-to-74-in-2018-19-rbi-governor/article23634616.ece].

3. **Ministry of Statistics & Programme Implementation Government of India. 2018**. "Press note on Second Advance Estimates of National Income 2017-18 and Quarterly Estimates of Gross Domestic Product for the Third Quarter (q3) of 2017-18", February 28. [http://www.mospi.gov.in/sites/default/files/press_release/nad_pr_2eni_28feb18_0.pdf].

4. **Office of the Economic Adviser. 2018.** Key Economic Indicators May, 2018. Department of Industrial Development and Policy, Ministry of Commerce and Industry, Government of India. [http://eaindustry.nic.in/key_economic_indicators/Key_Economic_Indicators.pdf].

5. **Bhattacharya, H. 2018**. *"* Rupee's dancing to more tunes this year", *The Hindu*, May 06. [http://www.thehindu.com/business/Economy/rupees-dancing-to-more-tunes-this-year/article23794789.ece].

6 **PTI. 2018**. "Exports dip, imports grow 7.15 per cent in March", *The Hindu BusinessLine*, April 13. [https://www.thehindubusinessline.com/economy/exports-dip-imports-grow-715-per-cent-in-march/article23528903.ece].

7 **Sen, A. 2014**. "India misses 2013-14 export target", *The Hindu BusinessLine*, April 11. [https://www.thehindubusinessline.com/economy/india-misses-2013-14-export-target/article20752287.ece1].

8. **Bhattacharya, H. 2018**. *"* Rupee's dancing to more tunes this year", *The Hindu*, May 06. [http://www.thehindu.com/business/Economy/rupees-dancing-to-more-tunes-this-year/article23794789.ece].

9. **Modi, N. 2015**. "India's strength lies in simplicity of Indians & their unity: PM Narendra Modi on 69th Independence Day", August 15. [https://www.narendramodi.in/text-of-prime-minister-shri-narendra-modi-s-address-in-hindi-to-the-nation-from-the-ramparts-of-the-red-fort-on-the-69th-independence-day-211475].

10. **Income Tax Department. n.d**. "Time Series Data Financial Year 2000-01 to 2016-17". [https://www.incometaxindia.gov.in/Documents/Direct%20Tax%20Data/Time-Series-Data-2016-17.pdf].

11. **Mehra, P. 2018**. "Agriculture needs a reforms package", *The Hindu*, January 10. [http://www.thehindu.com/opinion/op-ed/agriculture-needs-a-reforms-package/article22406693.ece].

12. **Prasad, R. 2016**. "In one of India's biggest-ever layoffs, L&T sheds 14,000 employees from its workforce", *The Economic Times*, November 23. [https://economictimes.indiatimes.com/industry/indl-goods/svs/engineering/in-one-of-indias-biggest-ever-layoffs-lt-sheds-14000-employees-from-its-workforce/articleshow/55570052.cms].

13. **Mehra, P. 2014**. "India off Fragile Five list, says IMF", *The Hindu*, October 26. [http://www.thehindu.com/business/Economy/india-off-fragile-five-list-says-international-monetary-fund/article6535530.ece].

14. **Livemint. 2018**. "Indian economy and the threat to the current account deficit", April 23. [https://www.livemint.com/Money/R2yqm8q6ew8W1UIEw4D9fM/Indian-economy-and-the-threat-to-the-current-account-deficit.html].

15. **Roychoudhury, A. 2018**. "Reclassification helps govt rein in fiscal deficit to 3.4% of GDP in FY18", *Business Standard*, April 14. [http://www.business-standard.com/article/economy-policy/reclassification-helps-govt-rein-in-fiscal-deficit-to-3-4-of-gdp-in-fy18-118041400849_1.html].

16. **Office of the Economic Adviser. 2018.** Key Economic Indicators May, 2018. Department of Industrial Development and Policy, Ministry of Commerce and Industry, Government of India. [http://eaindustry.nic.in/key_economic_indicators/Key_Economic_Indicators.pdf].

17. **Srivastava, D. K. n.d.** "Monitoring India's macro-fiscal performance", EY Economy Watch.

18. **Mishra, A.R. 2018**. "Government abandons revenue deficit targeting", *Livemint*, February 05. [https://www.livemint.com/Politics/S57BpKHAclw2El4KJF7tHO/Plan-on-revenue-deficit-seen-as-shift-towards-consumption-sp.html].

19. **Mehra, P. 2015**. "'Rate of poverty reduction fastest under UPA II'", *The Hindu*, May 26. [http://www.thehindu.com/business/Economy/cea-arvind-subramanian-reviews-oneyear-of-modi-govt/article7247733.ece].

20. **Mampatta, S.P. 2018**. "Fresh investments in India plunge to a 13-year low as stalled projects rise", *Livemint*, January 04. [https://www.livemint.com/Industry/FjKp7NoIlo0HI43J8HnLEO/Fresh-investments-in-India-plunge-to-a-13year-low-as-stalle.html].