



	<p>and custom hiring centres, have contributed to nourishing a vibrant agricultural sector</p> <ul style="list-style-type: none"> <li>• Industrial Production <ul style="list-style-type: none"> <li>○ A palpable V-shaped recovery in industrial production was observed over the year</li> </ul> </li> <li>• Inflation, mainly driven by food prices, remained above 6 per cent for much of the year, given supply disruptions. The softening of CPI inflation recently reflects easing of supply side constraints that affected food inflation.</li> <li>• The weak demand led to a sharper contraction in imports than exports, with Forex reserves rising to cover 18 months of imports.</li> </ul>
Policy Response to Covid-19	<ul style="list-style-type: none"> <li>• Global <ul style="list-style-type: none"> <li>○ additional spending or forgone revenue, temporary tax cuts, cash and in-kind transfers, unemployment benefits, wage subsidies, and liquidity support, including loans, guarantees, and equity injections by the public sector</li> <li>○ Monetary authorities across the world have eased monetary conditions</li> </ul> </li> <li>• India's Strategic Multi-Pronged Policy Response <ul style="list-style-type: none"> <li>○ India adopted a graded four-pronged pre-emptive, and pro-active strategy consisting of <ul style="list-style-type: none"> <li>▪ containment measures,</li> <li>▪ calibrated fiscal support focussed on essentials during lockdown and demand push during the unlock phase,</li> <li>▪ financial measures</li> <li>▪ structural reforms to combat COVID-19</li> </ul> </li> </ul> </li> <li>• As part of India's four-pillar strategy, calibrated fiscal and monetary support was provided attuned to the evolving economic situation, cushioning the vulnerable in the lockdown and boosting consumption and investment while unlocking. Long-pending structural reforms in agriculture, mining, labour, etc. were concurrently undertaken for the economy to return to the potential growth path, keeping super-hysteresis at bay. The estimated real GDP growth for FY 2022 at 11 per cent is the highest since independence.</li> </ul>