

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 3549**  
**TO BE ANSWERED ON MARCH 27, 2018**

**WHITE PAPER ON THE STATE OF ECONOMY**

3549. SHRI K.C. RAMAMURTHY:

Will the Minister of FINANCE be pleased to state:

- (a) whether it has come to the notice of Government that a survey has been conducted by National Council for Applied Economic Research (NCAER) which indicated that demonetisation, GST has greatly dented the business confidence and the Confidence Index fell by 2.5 per cent on quarter-on-quarter basis;
- (b) if so, the details of the survey and steps taken or proposed to be taken to increase the confidence of industry; and
- (c) what constraints Government has to release a White Paper on the state of economy in the country and also impact of demonetisation and GST?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PON. RADHAKRISHNAN)

(a) & (b) The NCAER's 101<sup>st</sup> Round of the Business Expectations Survey (BES) shows that the Business Confidence Index (BCI) fell by 2.5 per cent in July 2017 over April 2017 on a quarter-to-quarter basis. The composition of the BCI is based on four components having equal weights. The decline in BCI was driven by deterioration in three out of four indicators on (i) present investment climate, (ii) overall economic conditions in the next six months and (iii) the financial position of firms in the next six months. One component showed an improvement, with percentage of firms perceiving that 'present capacity utilization is close to or above optimal level' going up from 91.6 per cent in April 2017 to 97.1 per cent in July 2017.

The Government has undertaken many structural reforms to increase the confidence of the industry including simplification of the process of applying for Industrial License and Industrial Entrepreneur Memorandum by making it available online on 24x7 basis at the eBiz website, integration of twenty services with the eBiz portal which functions as a single window portal for obtaining clearances from various Government agencies, automation of registration with the Employees Provident Fund Organization and Employees State Insurance Corporation etc. As a result of these steps, India improved its rank to 100 from 130 in the World Bank's Ease of Doing Business Report, 2018.

(c) The detailed analysis on the state of the economy, along with important developments during the year is, anyway, brought out in the Economic Survey.

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