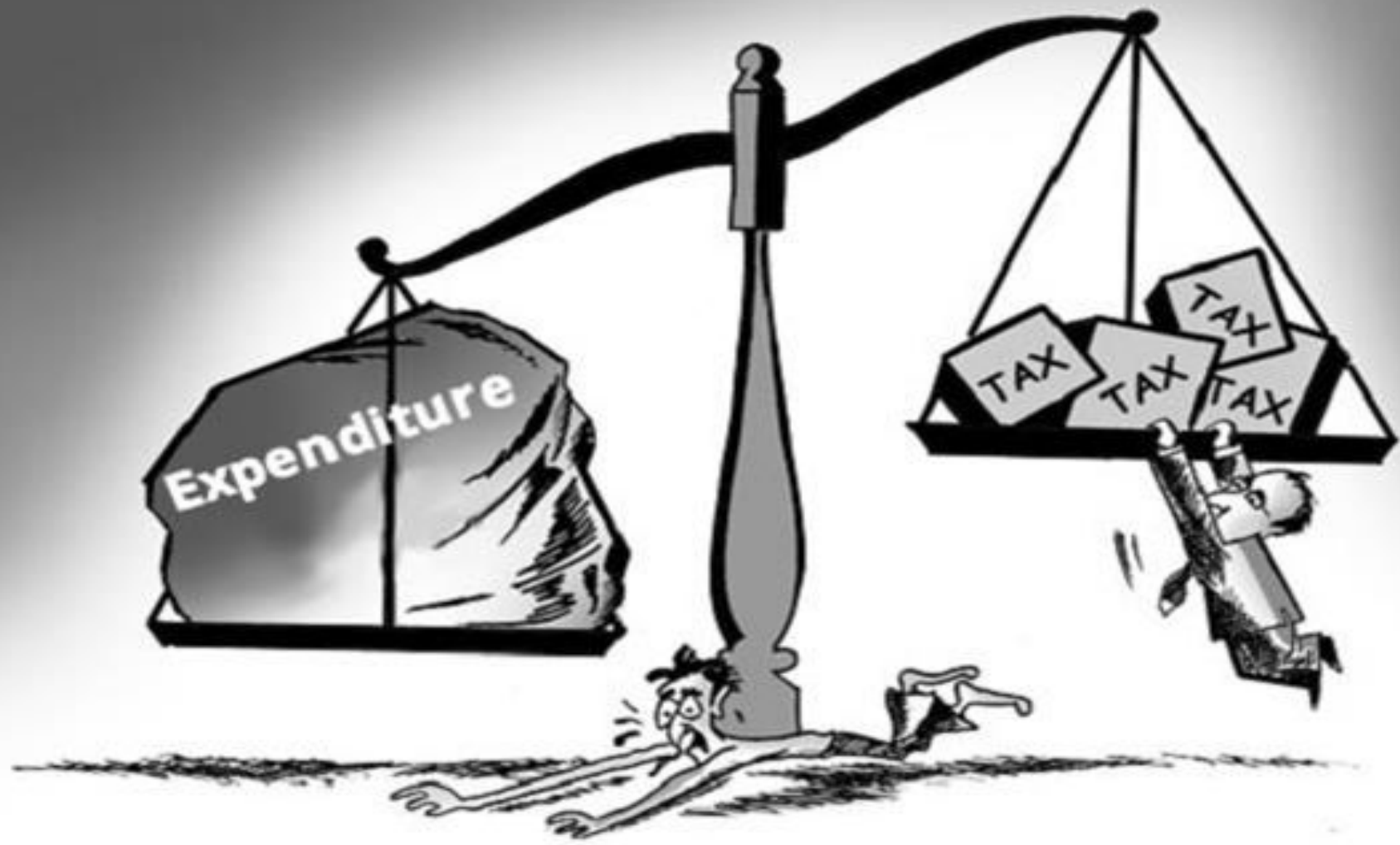


FISCAL RESPONSIBILITY

NEED OF THE HOUR!!



Basic Definitions

Gross Domestic Product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

As a broad measure of overall domestic production, it functions as a comprehensive scorecard of the country's economic health.



Some Terminologies :

Fiscal Deficit takes place when total budget expenditure exceeds total budget receipts during a certain fiscal year which typically reflects the amount of money the government needs to borrow for a fiscal.

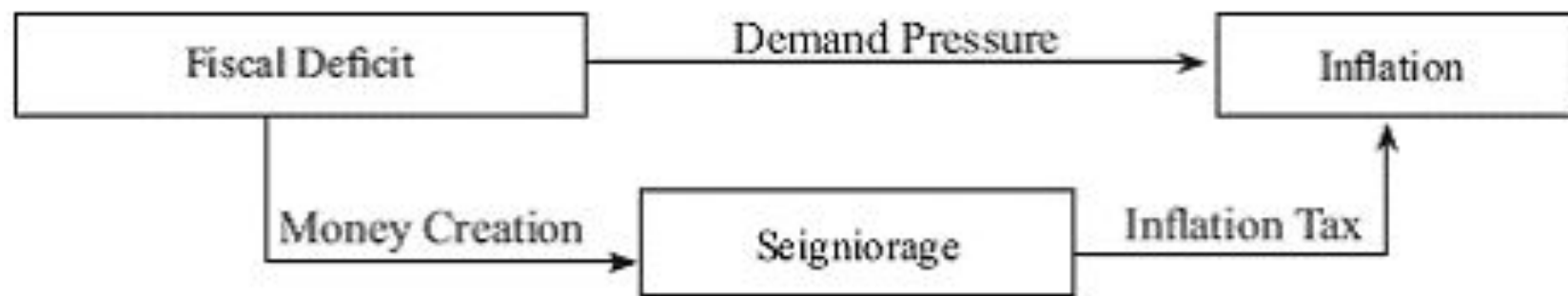
Standard lending options include the World Bank, Public Sector Banks, or even printing of new currency notes against government securities.

Revenue deficit as the name suggests, is when the government's income or revenue is not enough to meet the requirements of its operations and provisioning of services.

A common solution to this is borrowing money from other nations.



Generally expressed as % of GDP



ED FISCHER

it has become
necessary to damage
the economy in
order to
save it!

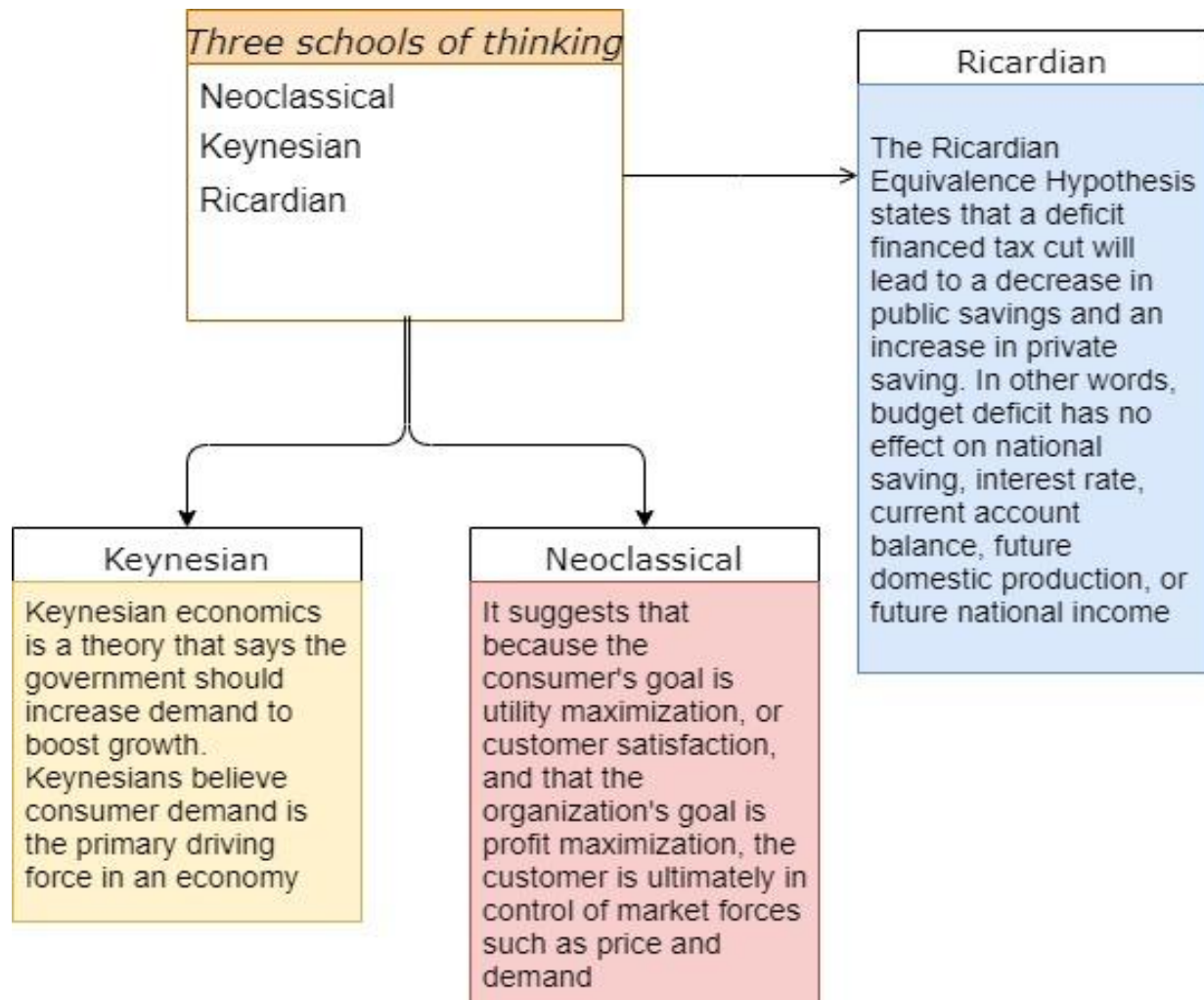


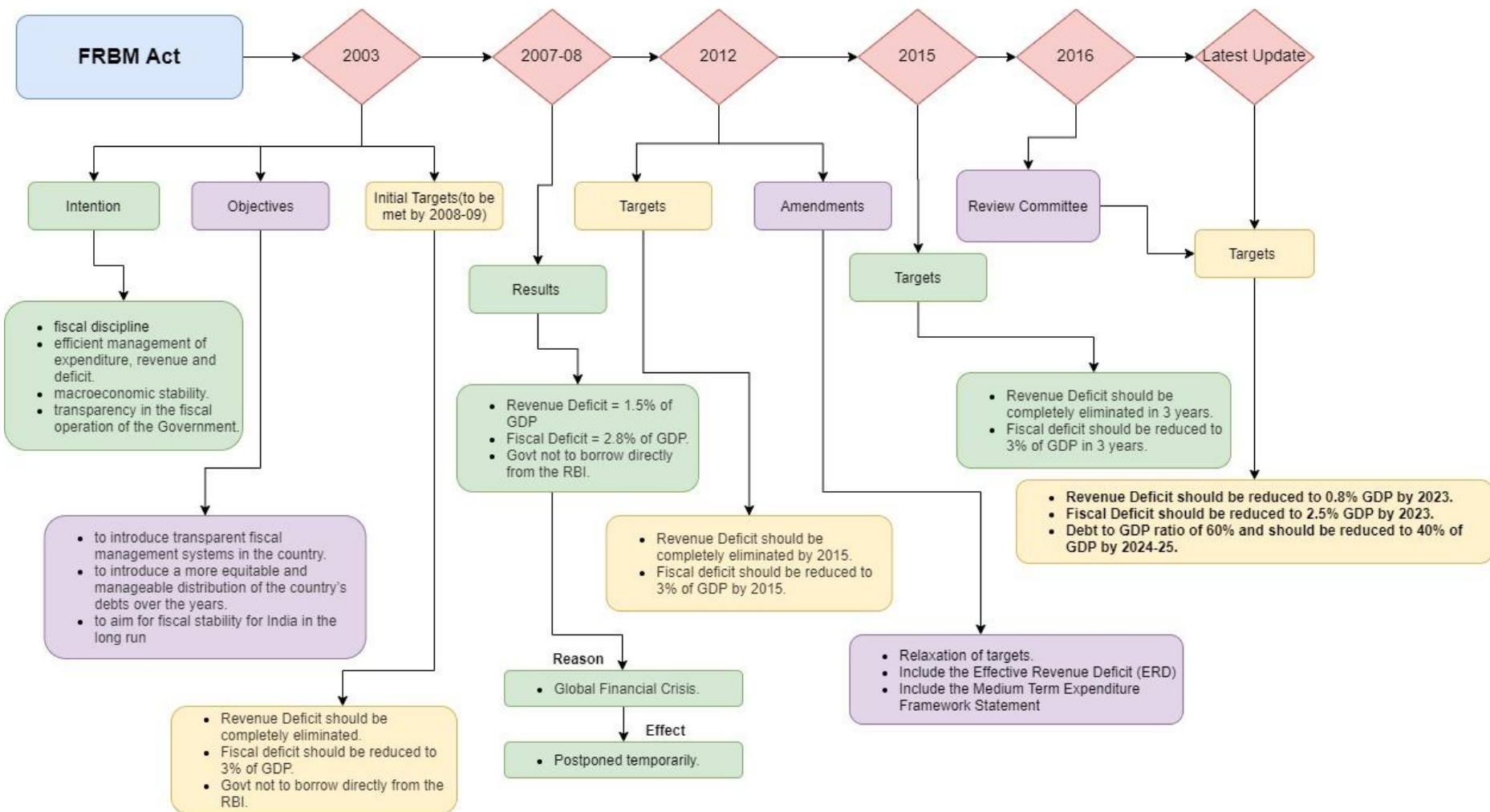
What is Fiscal Responsibility?

Fiscal responsibility implies a government pursues the appropriate level of government spending and tax to:

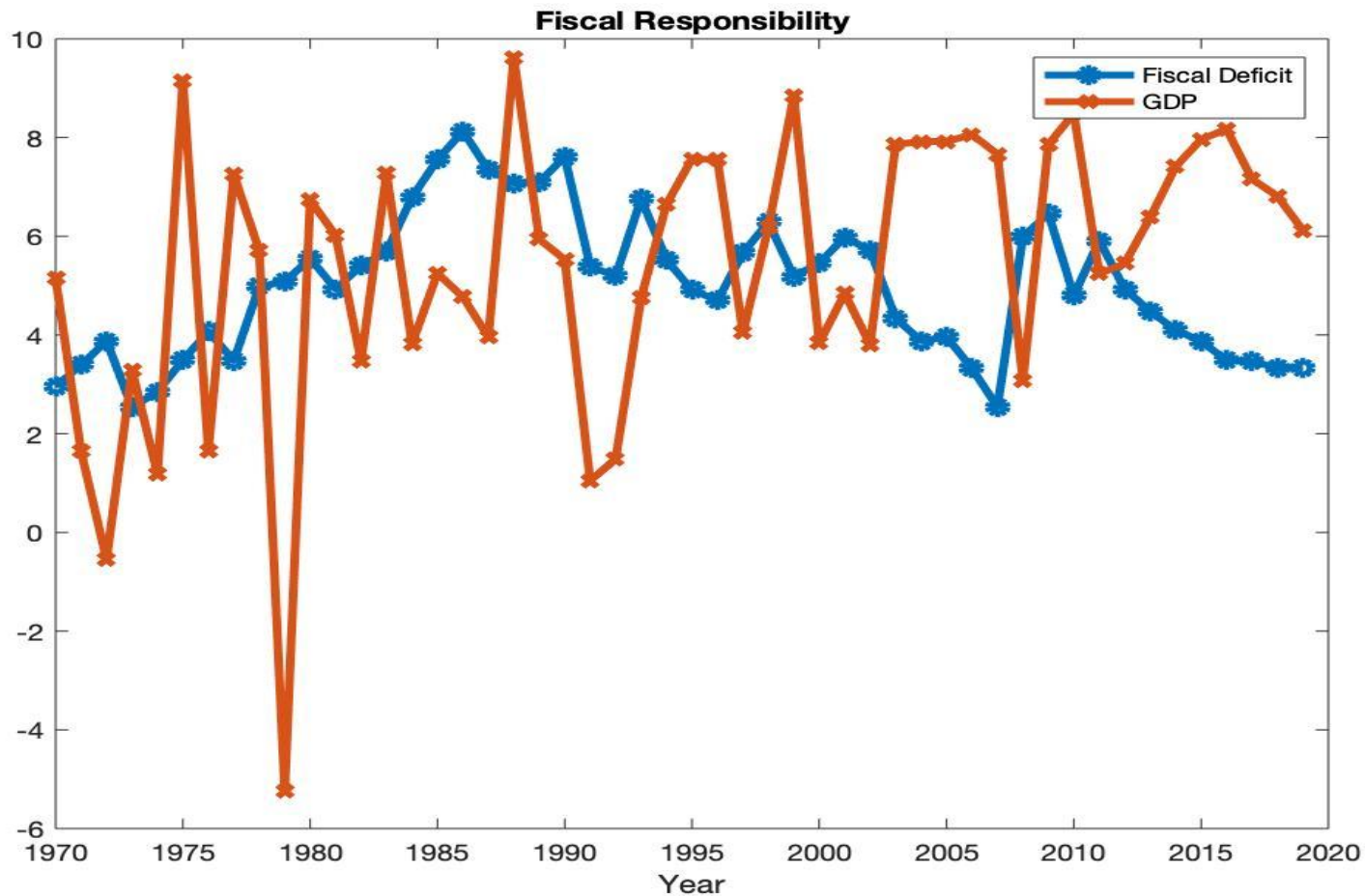
- Maintain sustainable public finances.
- Ensure fiscal policy aids the optimal rate of economic growth.
- Maintain appropriate levels of public investment.







Trends in India



Relevance of our topic

Fiscal responsibility is essential to creating a better, stronger, more prosperous nation for the next generation. The nation's economic future and fiscal responsibility are directly linked.

Eliminating the deficit is ,of course, the ultimate aim.

The larger challenge, however, is to reform our age-related entitlement programs, which are projected to grow at an unsustainable rate as the population ages.

Facing up to both the short and long-term fiscal challenges will help put the nation on a path to lasting prosperity and a rising standard of living.



What we are going to do?

We are going to study the current and archived trends of GDP growth, fiscal deficit and revenue deficit over the years for the Indian subcontinent.

We'll try to incorporate the various features of the trends and try to develop a relation connecting various parameters of this multivariate dataset.

We'll also try to define a limit on the fiscal deficit for accelerating our rapid 'economic slow-down' i.e. defining **FISCAL RESPONSIBILITY** in the modern sense.



References

- <https://www.clearias.com/frbm-act/#the-fiscal-responsibility-and-budget-management-frbm-act-2003>
- <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=IN>
- <https://dbie.rbi.org.in/BOE/OpenDocument/1608101729/OpenDocument/opendoc/openDocument.faces?logonSuccessful=true&shareId=0>
- <https://dea.gov.in/sites/default/files/INDIAN%20PUBLIC%20FINANCE%20STATISTICS%202017-18.pdf>
- Google images
- MATLAB

