

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION No. 1356
TO BE ANSWERED ON 1 AUGUST 2023**

Roadmap to making India a \$5 trillion economy

1356. Shri Ajay Pratap Singh:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the roadmap of Government to make India a \$5 trillion economy by the year 2024-25;
- (b) whether the State Governments have also been given a target to achieve this; and
- (c) if so, the details of target given to Madhya Pradesh and the sector which has been identified in this regard?

ANSWER

**MINISTER OF STATE FOR FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a): Government's roadmap for making India a \$5 trillion economy comprises focussing on growth at the macro level and complementing it with all-inclusive welfare at the micro level, promoting digital economy and fintech, technology-enabled development, energy transition and climate action and relying on a virtuous cycle of investment and growth. The Government's Road Map was put into effect in 2014. Major reforms including Goods and Services Tax (GST), Insolvency and Bankruptcy Code (IBC), a significant reduction in the corporate tax rate, the Make in India and Start-up India strategies, and Production Linked Incentive Schemes, among others, have been implemented.

The Government has also focused on a capex-led growth strategy to support economic growth and attract investment from the private sector, increasing its capital investment outlay substantially during the last three years. Central Government's capital expenditure has increased from 2.15 per cent of GDP in 2020-21 to 2.7 per cent of GDP in 2022-23. The Union Budget 2023-24 has taken further steps to sustain the high growth of India's economy. These include a substantial increase in capital investment outlay for the third year in a row by 33 per cent to ₹10 lakh crore (3.3 per cent of GDP). Direct capital investment by the Centre is also complemented by Grants-in-Aid to States for the creation of capital assets. The 'Effective Capital Expenditure' of the Centre was accordingly budgeted at 13.7 lakh crore (4.5 per cent of GDP) for 2023-24. This strong push given by the government is also expected to crowd in private investment and propel economic growth.

(b)-(c): There are no specific State-wise targets.
