

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

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LOK SABHA

UNSTARRED QUESTION No.1254

TO BE ANSWERED ON FRIDAY, DECEMBER 22, 2017/PAUSHA 01, 1939 (SAKA)

EFFECT OF GST ON INDUSTRIAL GROWTH

1254. DR. RAM SHANKAR KATHERIA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the GST effectively support and accelerate the present growth of industrial sector in the country;
- (b) if so, the details thereof;
- (c) whether the GST is likely to boost foreign capital investment in the country; and
- (d) if so, the details thereof along with its likely effect on domestic industry?

MINISTER OF STATE FOR FINANCE

(SHRI SHIV PRATAP SHUKLA)

(a) & (b) It is expected to increase the GDP of the country.

(c) & (d) Foreign investments in the country depend on a variety of factors including physical infrastructure, rate of return on assets and sovereign rating by international rating agencies, etc. GST is one of the biggest structural reforms in the Indian economy, and is expected to boost India's sovereign rating and ease of doing business rankings. It is not possible to quantify the boost to foreign capital investments at this moment.
