

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 1707
TO BE ANSWERED ON 27TH JULY 2018

IMPACT OF ECONOMIC REFORMS

†1707. SHRIMATI VEENA DEVI:

Will the Minister of FINANCE be pleased to state:

- (a) whether after the implementation of New Economic Reforms in the recent years, there has been development and expansion of various sector relating to Information Technology, Communication, Advertising, Pharmaceuticals, Banking, Tourism on account of the priority accorded to them;
- (b) if so, the reaction of the Government thereto;
- (c) whether there has been a decline in the traditional industries of the country after implementation of New Economic Reforms; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE
(SHRI PON RADHAKRISHNAN)

(a) & (b) The Government has taken many reform initiatives across different sectors. For example, the Goods and Services Tax was introduced, Indian Bankruptcy Code was passed, recapitalisation package for public sector banks was announced and a special package for textile sector was given. Because of these reform measures, growth has accelerated. As per the provisional estimates of annual national income released by the Central Statistics Office(CSO) for the year 2017-18, real gross value added (GVA) at constant (2011-12) prices for the year 2017-18 in trade, hotels, transport, communication and services related to broadcasting is estimated at 8.0% as against previous year's growth rate of 7.2%. Foreign tourist arrivals during the period January-May 2018 were 44,82,064 as compared to 41,21,377 in January-May 2017 registering a growth of 8.8%. Over the last few years the Indian telecom sector has shown remarkable growth. As on end of September 2017, the total subscribers stood at 1207.04 million, out of which 501.99 million connections were in the rural areas and 705.05 million in the urban areas. The overall tele-density in India was 93.42 per cent including 56.78% in rural areas and 172.86% in urban areas (as on September, 2017). Schedule Commercial Banks' non-food credit growth picked from 4.5% in April 2017 to 11.1% in May 2018.

(c) & (d) As per the provisional estimates of annual national income released by the CSO for the year 2017-18 the growth rate of GVA at constant (2011-12) prices for industry accelerated from 0.1% in Q1 of 2017-18 to 8.8% in Q4 for the year 2017-18. The table below shows the growth rate for various sectors of industry.

Quarterly Estimates of Growth in GVA (%) at Basic Prices for 2017-18
(at 2011-12 prices)

	2017-18			
	Q1	Q2	Q3	Q4
Mining & quarrying	1.7	6.9	1.4	2.7
Manufacturing	-1.8	7.1	8.5	9.1
Electricity, gas, water supply & other utility services	7.1	7.7	6.1	7.7
Construction	1.8	3.1	6.6	11.5
