

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 2792
To be answered on 3rd August, 2018/Shravana 12, 1940 (Saka)

ADB Projection on GDP

2792. SHRI A. ARUNMOZHITHEVAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether according to Asian Development Bank (ADB) India's projected GDP growth of over 7 per cent for the current fiscal is amazingly fast and if this momentum is maintained the size of the economy can double within a decade;
- (b) If so, the details thereof;
- (c) whether ADB has suggested that India should focus on increasing domestic demand; and
- (d) If so, the reaction of the Government thereto?

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

(a, b, c & d) As per Asian Development Outlook (ADO) 2018 released by Asian Development Bank (ADB) in April 2018, India's growth has been projected to be 7.3% in 2018-19 and 7.6% in 2019-20. ADB retained these growth forecast in a subsequent update of Asian Development Outlook released in July 2018. ADB forecasts referred to above cover only the years 2018-19 and 2019-20, and no projections have been made for the subsequent years. ADO 2018 has identified both domestic as well as external demands as important drivers of economic growth. With respect to domestic demand, the report identifies revival of investment as a key driver of growth. Multilateral Development Banks like ADB make their findings based on many economic variables. The Government takes note of these observations for calibrating its policies.