

**GOVERNMENT OF INDIA
MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION**

**LOK SABHA
UNSTARRED QUESTION NO.999
TO BE ANSWERED ON 26.07.2023**

GDP GROWTH

999. DR. VISHNU PRASAD M.K.:

SHRI THIRUNAVUKKARASAR SU.:

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to State:

(a) whether the Government has decided to change data calendar and also decided that Gross Domestic Product (GDP) numbers will only be released after the Budget 2023, if so, the details thereof and the reasons therefor;

(b) whether India's GDP has fallen from 7.2% in the financial year 2022-2023 as compared to 9.1% in the previous fiscal growth rate despite India becomes the fifth largest economy in the world;

(c) if so, the details thereof along with the rate of GDP during the last three years, year-wise;

(d) whether any steps are being taken by the Government to further improve the GDP growth rate in the coming years;

(e) if so, the details thereof and if not, the reasons therefor; and

(f) whether output of the manufacturing sector is estimated to decelerate to 1.6 per cent as against a growth of 9.9 per cent in

Financial Year 2022, if so, the details thereof and the reasons therefor?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION, MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS [RAO INDERJIT SINGH]

(a): Yes sir. First Advance Estimate (FAE) of National Accounts for the current year is released by Ministry of Statistics and Programme Implementation (MoSPI) on 7th January, if it is a working day, else on previous working day, using the provisional estimate (PE) of previous financial year (FY) as benchmark. However, First Revised Estimate (FRE) of the previous financial year used to be released on last working day of January, that is one day before the presentation of Union Budget. That was creating confusion among users as they were recomputing growth of current year using FRE released one day before, instead of growth rate published in Economic Survey. Therefore, in consultation with stakeholder agencies, FRE has been made coterminous with the release of Second Advance Estimate (SAE) from the current financial year onward, that is on the last working day of February.

(b) and (c): GDP growth rate at constant (2011-12) prices during last three FYs are as follows:

Year	2020-21(2nd RE)	2021-22(1st RE)	2022-23(PE)
GDP growth rate (%)	-5.8	9.1	7.2

RE-Revised Estimates, PE- Provisional Estimates

From the above table, it is evident that FY 2020-21 witnessed a contraction of 5.8 per cent. Because of low base in 2020-21, the

growth rate in 2021-22 was registered high as 9.1 per cent. But in 2022-23, the growth rate 7.2 per cent is on high base (9.1 percent of 2021-22). Therefore, the said growth of 7.2 per cent in 2022-23 is healthy.

(d) and (e): Government over the past few years have taken various initiatives that have contributed to the high growth of the Indian economy. Policy support has included the introduction and application of the Insolvency and Bankruptcy Code (IBC), Goods and Services Tax Reform, cut in the Corporate Tax Rate, the Make in India and Start-up India strategies, and Production Linked Incentive Schemes, among others. Government has also focused on capex led growth strategy and substantially increased its capital investment outlay during the last three years.

The Union budget 2023-24 has taken further steps to sustain a 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), the enhanced outlay for PM Awas Yojana, the launch of the Aspirational Blocks Programme covering 500 blocks for saturation of essential government services; increase in agriculture credit target to ₹20 lakh crore with a focus on animal husbandry, dairy and fisheries; and setting up of Agriculture Accelerator Fund to encourage agri start-ups by young entrepreneurs in rural areas, among others. 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. To increase private investment in infrastructure, the newly established Infrastructure Finance Secretariat will provide oversight. Further, to improve logistics performance, one hundred critical transport infrastructure projects for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and will be prioritised for development.

(f): Growth rate of Gross Value Added (GVA) at Constant (2011-12) Prices in the manufacturing sector in the FY 2020-21, FY 2021-22 and FY 2022-23 are 2.9 per cent, 11.1 per cent and 1.3 per cent respectively. From this, it is evident that the Manufacturing sector registered very high recovery during FY 2021-22 by observing 11.1 per cent growth. Because of very high base, growth of this sector at 1.3 per cent appears subdued.

It is further noted that the growth rate of 1.6 per cent and 9.9 per cent for the FY 2022-23 and FY 2021-22, mentioned in the question, has now been revised to 1.3 per cent and 11.1 per cent as per latest provisional estimate published on 31st May, 2023.
