

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

**LOK SABHA**  
**UNSTARRED QUESTION NO. 110**  
TO BE ANSWERED ON DECEMBER 4, 2023

**GROSS DOMESTIC PRODUCT**

110. SHRI SUNIL DATTATRAY TATKARE:

Will the Minister of FINANCE

Be pleased to state:

- (a) whether it is a fact that Gross Domestic Product expanded significantly during the last five decades but this economic growth did not uniformly benefit all segments of the society;
- (b) if so, the details thereof;
- (c) whether it is a fact that middle income and low-income groups' share in the national income decreased during the last five decades in contrast the top 10 per cent income group saw their share increase resulting in a growing income gap in the country;
- (d) if so, the details thereof; and
- (e) the steps taken or proposed to be taken by the Government to control the income inequality and skewed distribution of prosperity among different income groups?

**ANSWER**

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

**(a)–(b):** In the last five decades (1972-73 to 2022-23), India's Gross Domestic Product in real terms increased by 15 times, registering a Compound Annual Growth Rate (CAGR) of 5.5 per cent.

**(c)-(d):** In India, the data on class distribution of income is not compiled centrally. However, household consumption expenditure data collected by the National Sample Survey Office (NSSO) could be used as a proxy to capture the economic disparity in terms of consumption expenditure. The latest data of the Large Sample Survey on Household Consumer Expenditure has been collected by NSSO in its 68th round conducted in 2011-12. The Gini coefficient (measuring the inequality between different expenditure classes of the population) in rural areas is observed to be almost the same in 2004-05 and 2011-12 at 0.27 and 0.28,

respectively. In the urban areas, the Gini coefficient has increased marginally from 0.35 in 2004-05 to 0.37 in 2011-12.

(e): The primary policy objective of the Government is the development of all segments of the population. Its focus on inclusive growth is reflected in its commitment to Sabka Saath Sabka Vikas to reduce poverty and inequality, provide social security, income generation and livelihood options, and improve the quality of life of the vulnerable sections of the population in the country.

In this regard, the Government is implementing a number of targeted programmes such as Pradhan Mantri Awas Yojana (PMAY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM), National Social Assistance Programme (NSAP), Pradhan Mantri Jan Dhan Yojana (PMJDY), Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Stand Up India Scheme, Umbrella Programmes for Development of Minorities and Other Vulnerable Groups; Rashtriya Krishi Vikas Yojna; fund transfer under PM-KISAN, PM Fasal Bima Yojana claim payments; fertiliser subsidies; interest subvention for dairy cooperatives; Agri-Infrastructure Fund for farm gate infrastructure etc. Further, the Government is implementing various programmes, including Jal Jeevan Mission, Swachh Bharat Abhiyan, PM Ujjwala Yojana, PM Saubhagya Yojana, Ayushman Bharat, etc., to bring about overall improvement in the quality of life of the people through universal access to basic amenities.

During COVID-19, the Government made several targeted interventions to mitigate the adverse impact of the pandemic on the lives and livelihoods of the people, particularly the vulnerable sections of the society through the Pradhan Mantri Garib Kalyan Yojana (PMGKY), implemented since April 2020. These included, inter alia, the world's largest free food program, cash transfers to women Jan Dhan account holders, insurance cover for health workers fighting COVID-19, increase in MGNREGA wages, assistance to low-wage earners in organised sectors, etc.

The Budget 2023-24 has indicated "Inclusive Development" as one of its priority areas and has proposed many measures to ensure this goal. This inter-alia includes several initiatives for the agriculture sector (such as digital public infrastructure for agriculture, Agriculture Accelerator Fund, focus on cotton crop and horticulture, making India a global hub for millet, enhanced agriculture credit target, etc.; skilling, health and education. The Budget further proposed to launch the Pradhan Mantri PVTG Development Mission to improve the socio-economic conditions of the particularly vulnerable tribal groups (PVTGs) so as to saturate PVTG families and habitations with basic facilities such as safe housing, clean drinking water and sanitation, improved access to education, health and nutrition, road and telecom connectivity, and sustainable livelihood opportunities.

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