

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 161
TO BE ANSWERED ON NOVEMBER 18, 2019

INDIAN ECONOMY

† 161. SHRI RAJIV RANJAN SINGH *ALIAS* LALAN SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is true that Indian economy is steadily moving towards a dismal recession situation and industrial production has fallen by about 1.1 percent in the last two months which is the lowest level in the last six years and if so, the details thereof;
- (b) whether it is also true that the core sectors like real estate, energy, mining, automobile, steel of Indian economy are on the verge of recession and if so, the details thereof;
- (c) whether it is not true that there has been an unprecedented increase in the prices of daily use items and the prices of vegetables and fruits have also seen a sharp increase in the market and if so, the details thereof; and
- (d) the details of reasons behind economy not coming out of the recession despite the positive steps taken by the Government?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) No Sir, the economy is not moving towards recession. Details of growth of real Gross Domestic Product (GDP) are given in Table 1. Growth of Index of Industrial Production (IIP) stood at (-) 4.3 per cent in September 2019, which is lowest in last six years. Details of monthly IIP in last six years are annexed.

Table 1: Quarter wise growth of real GDP (in per cent)					
	2018-19				2019-20
	Q1	Q2	Q3	Q4	Q1
GDP	8.0	7.0	6.6	5.8	5.0

(b) No Sir, details of the sectors are given in Table 2 and Table 3 below:

Table 2: Quarter wise growth of real Gross Value Added at basic price (in per cent)		
Period		Financial, real estate & professional services
2018-19	Q1	6.5
	Q2	7.0
	Q3	7.2
	Q4	9.5
2019-20	Q1	5.9

Table 3 : Annual growth rates of selected sectors as per Index of Industrial Production (IIP) and Index of Eight Core Industries (in per cent)				
	Steel	Electricity	Mining	Manufacture of motor vehicles, trailers and semi-trailers
2017-18	5.6	5.4	2.3	12.6
2018-19 (Apr-Sep)	3.5	6.2	3.2	17.0
2019-20 (Apr-Sep)	8.5	3.8	1.0	-15.0

(c) No Sir, Inflation based on Consumer Price Index – Combined (CPI-C) stood at 4.62 per cent in October 2019 as compared to 3.99 per cent in September 2019. This is under the inflation target of 4 per cent with tolerance level of +/- 2 per cent for the period beginning from 5th August, 2016 to March 31, 2021. Fruits inflation based on CPI-C stood at 4.08 per cent in October 2019 as compared to 0.83 per cent in September 2019. However, vegetables inflation based on CPI-C increased to 26.10 per cent in October 2019 as compared to 15.40 per cent in September 2019.

(d) Does not arise.

Annexure I

Table I A: Month-wise (Year-on-Year) Growth based on Index of Industrial Production (IIP) (in per cent)	
Month	IIP
Sep-13	6.8
Oct-13	1.9
Nov-13	3.7
Dec-13	3.5
Jan-14	4.8
Feb-14	5.2
Mar-14	2.9
Apr-14	3.9
May-14	4.7
Jun-14	8.3
Jul-14	5.4
Aug-14	3.5
Sep-14	4.3
Oct-14	0.3
Nov-14	7.4
Dec-14	4.0
Jan-15	1.8
Feb-15	3.0
Mar-15	2.4
Apr-15	0.7
May-15	1.8
Jun-15	1.0
Jul-15	1.3

Aug-15	3.7
Sep-15	2.2
Oct-15	9.0
Nov-15	0.8
Dec-15	3.1
Jan-16	4.0
Feb-16	7.2
Mar-16	5.2
Apr-16	6.0
May-16	7.3
Jun-16	8.0
Jul-16	4.5
Aug-16	4.0
Sep-16	5.0
Oct-16	4.2
Nov-16	5.1
Dec-16	2.4
Jan-17	3.5
Feb-17	1.2
Mar-17	4.4
Apr-17	3.2
Month	IIP
May-17	2.9
Jun-17	-0.3
Jul-17	1.0
Aug-17	4.8
Sep-17	4.1
Oct-17	1.8
Nov-17	8.5
Dec-17	7.3
Jan-18	7.5
Feb-18	6.9
Mar-18	5.3
Apr-18	4.5
May-18	3.8
Jun-18	7.0
Jul-18	6.5
Aug-18	4.8
Sep-18	4.6
Oct-18	8.4
Nov-18	0.2
Dec-18	2.5
Jan-19	1.6
Feb-19	0.2
Mar-19	2.7
Apr-19	3.2
May-19	4.5
Jun-19	1.3
Jul-19	4.6
Aug-19	-1.4
Sep-19	-4.3
