

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

**LOK SABHA  
UNSTARRED QUESTION NO. 4725  
TO BE ANSWERED ON 24.03.2021**

**DECLINE IN GDP GROWTH**

**4725. DR. VISHNU PRASAD M. K.:**

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

- (a) whether the Government has assessed the impact of monetization and COVID-19 on GDP growth;**
- (b) if so, the details thereof;**
- (c) the measures taken by the Government to tackle the decline in GDP growth in the present economic slowdown; and**
- (d) the details of major factors that affected GDP during the last one year?**

**ANSWER**

**MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING  
(RAO INDERJIT SINGH)**

**(a) & (b): The status of economic activities and the disruption in data flow in some sectors due to COVID-19 had an impact on the GDP of India. GDP growth rates estimated for the financial years 2019-20 and 2020-21 are as follows:**

**Year on Year GDP growth rate (%)**

<b>Types of GDP</b>	<b>2019-20</b>	<b>2020-21</b>
<b>GDP growth rate at current prices</b>	<b>7.8</b>	<b>-3.8</b>
<b>GDP growth rate at 2011-12 prices</b>	<b>4.0</b>	<b>-8.0</b>

**(c): Astute management of the lockdown and subsequent unlocking along with strengthened health infrastructure was accompanied by roll out of Pradhan Mantri Garib Kalyan Yojana (PMGKY) and Atma Nirbhar Bharat (ANB) packages that besides saving lives also protected livelihoods and businesses. These measures included, among others, in-kind (food; cooking gas) and cash transfers to vulnerable sections; insurance coverage for workers in the healthcare sector; in-kind and cash transfer relief measures for households and employment provision measures for migrant workers under Pradhan Mantri Garib Kalyan Rojgar Abhiyaan, increased allocation under Mahatma Gandhi National Rural employment Guarantee Act (MGNREGA), credit guarantee & equity infusion-based relief measures for Micro Small & Medium Enterprises (MSMEs) and Non Banking Financial Corporations (NBFCs) amongst others. Structural reforms were also announced as part of the Atma Nirbhar Bharat Package which, inter alia, included deregulation of the agricultural sector, change in definition of MSMEs, new Public Sector Undertaking (PSU) policy, commercialization of coal mining, higher Foreign Direct Investment (FDI) limits in defence and space sector, revamp of Viability Gap Funding scheme for social infrastructure, new power tariff policy and incentivizing States to undertake sector reforms.**

**The Union Budget 2021-22 has also announced a number of measures to support broad-based and inclusive economic development under six pillars listed as under:**

- i. Health and Wellbeing**
- ii. Physical & Financial Capital and Infrastructure**
- iii. Inclusive Development for Aspirational India**
- iv. Reinvigorating Human Capital**
- v. Innovation and (Research & Development) R&D**
- vi. Minimum Government and Maximum Governance**

**(d): The factors that affected GDP during last one year are**

**i) Strict lockdown imposed to contain spread of COVID-19 pandemic led to loss of livelihood sources and slowing down of business/economic activities; (ii) Disruption of supply chain of the economy; and (iii) the services sector (including trade, transport and personal services) owing to contact intensive nature were affected.**

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