

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 914
TO BE ANSWERED ON 7.02.2022

INCREASE IN GDP

914. SHRIMATI QUEEN OJA:
DR. BHARATIBEN DHIRUBHAI SHIYAL:
SHRI MANNE SRINIVAS REDDY:
SHRI RODMAL NAGAR:
SHRI KOMATI REDDY VENKAT REDDY:

Will the Minister of FINANCE be pleased to state:

- whether the Gross Domestic Product(GDP) of the country has increased substantially during the last seven years and the current year;
- if so, the details thereof along with the percent of increase in GDP, year-wise;
- the details of steps being taken/likely to be taken by the Government to promote GDP;
- whether Covid-19 pandemic could impact the final numbers; and
- if so, the details thereof along with the reaction of the Government thereto?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (b): As per first advance and first revised estimates of Gross Domestic Product (GDP) released by the National Statistical Office (NSO), size of real GDP has been increased from Rs.105.3 lakh crore in 2014-15 to Rs. 135.6 lakh core in 2020-21 and estimated to be Rs. 147.5 lakh crore in 2021-22. India's real Gross Domestic Product (GDP) growth since 2014-15 is given below.

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 (2nd RE)	2020-21 (1st RE)	2021-22 (1 st AE)
Growth of Real GDP (%)	7.4	8.0	8.3	6.8	6.5	3.7	-6.6	9.2

Source: NSO, MoSPI

Note: RE-Revised Estimates, AE- Advance Estimates

(c): Government has implemented several major reforms in recent years to boost investment and GDP growth. These include Insolvency and Bankruptcy Code (IBC); recapitalization of banks; roll out of Goods and Services Tax (GST); Make-in-India programme; liberalization of Foreign Direct Investment (FDI); cut in the corporate tax rate; and making of National Infrastructure pipeline of projects worth more than Rs.100 lakh crore. Enhancing of support under Direct Benefit Transfers (DBT) mission protected the poor.

In FY 2020-21, as a major part of its policy response to the pandemic, Government, while providing a safety net to the vulnerable sections of the society, implemented several structural reforms to strengthen private sector investment. These include change in definition of MSMEs, new PSU policy, commercialization of coal mining, higher FDI limits in defence and space sector, development of Land Bank and Industrial Information System, revamp of Viability Gap Funding scheme for social infrastructure, new power tariff policy and incentivizing States to undertake sector reforms among others. Emergency Credit Line Guarantee Scheme (ECLGS) was launched to provide collateral free guaranteed loans for business enterprises in various sectors affected by COVID-19.

Following the announcements in the Union Budget 2021-22 further, capital expenditure of the government was significantly enhanced along with more than doubling of health budget. To enhance India's manufacturing capabilities and exports, an outlay of about Rs. 2 lakh crore was announced for Production Linked Incentive (PLI) schemes covering 14 key sectors of manufacturing. Government also announced a relief package of Rs 6.29 lakh crore in June 2021 to strengthen public health and provide impetus for growth and employment measures.

Continuing with the growth supportive measures, Union Budget 2022-23 has announced a 35.4 per cent increase in outlay of capital expenditure, PM GatiShakti National Master Plan for seamless multimodal connectivity and logistics efficiency, expansion of guarantee cover for MSME, infusion of funds in Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) scheme, programme for Raising and Accelerating MSME Performance (RAMP), human capital formation through universalization of quality education and establishment of Digital University, Ease of Doing Business 2.0 reforms, Urban Development, Export Promotion, Clean & Sustainable Mobility, Extension of Emergency Credit Line Guarantee Scheme (ECLGS) by Rs 50,000 crore to total cover of Rs 5 lakh crore, among others.

(d) & (e): India's real Gross Domestic Product (GDP) contracted by 6.6 per cent in 2020-21 (1st RE). This contraction reflects the unparalleled effect of the COVID-19 pandemic and the containment measures that were taken to control the pandemic. The contraction was controlled by India's economy staging a resilient recovery in the second half of 2020-21 on the back of the nation's strong economic fundamentals combined with gradual scaling down of lockdowns and astute support of AtmaNirbhar Bharat Mission, supply-side reforms, and infrastructure push through National Infrastructure Pipeline. Resultantly, real GDP is estimated to undergo a growth of 9.2 per cent in 2021-22.
