

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

**LOK SABHA
UNSTARRED QUESTION NO. 1388
TO BE ANSWERED ON 27.11.2019**

SLOWDOWN IN GDP

**1388. SHRIMATI NUSRAT JAHAN RUHI:
SHRI THOMAS CHAZHIKADAN:
SHRI M. BADRUDDIN AJMAL:**

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

- (a) whether India's GDP is slowing down day by day during the last several months;**
- (b) if so, whether the GDP growth has slowed down to an overall six-year low at five per cent and if so, the details thereof;**
- (c) the measures taken/being taken by the Government to boost the GDP growth;**
- (d) the GDP growth rate during the last five years, year-wise; and**
- (e) by when the GDP rate of the country is likely to come out of the downward trend?**

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) and (b): Quarterly Growth Rates of Gross Domestic Product (GDP) at Constant (2011-12) Prices for the years 2014-15 to the first Quarter of 2019-20 are as under:

| Years | Quarterly Growth Rate (in %) | | | |
|----------------|-------------------------------------|------------------|------------------|------------------|
| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
| 2014-15 | 8.0 | 8.7 | 5.9 | 7.1 |
| 2015-16 | 7.6 | 8.0 | 7.2 | 9.1 |
| 2016-17 | 9.4 | 8.9 | 7.5 | 7.0 |
| 2017-18 | 6.0 | 6.8 | 7.7 | 8.1 |
| 2018-19 | 8.0 | 7.0 | 6.6 | 5.8 |
| 2019-20 | 5.0 | - | - | - |

(c) to (e): Government has been undertaking various measures to boost GDP growth. Introduction of Insolvency and Bankruptcy Code (IBC) in 2016 is a significant step towards strengthening the financial system of the country. Implementation of Goods and Services Tax in 2017 stands out as an important measure for improving ease of doing business in the country. Make-in-India programme is a major initiative towards increasing the indigenous capacity to produce world class goods and services. Continuous liberalization has led to an increase in inflows of foreign direct investment into the country. More recently, Government has cut corporate tax rate from 30 percent to 22 percent to boost investment activity. In particular, the corporate tax rate has been cut to 15 percent for new domestic manufacturing companies, which is amongst the lowest in the world. This complements a cut in the repo rate by 135 basis points during 2019 by the Reserve Bank of India and mandating banks to link their lending rates with external benchmarks for reducing the cost of capital for investors. Government has approved a realty fund worth Rs. 25000 crore for stalled housing projects. Government has also extended PM Kisan scheme to include all farmers, which will boost rural consumption. To boost exports, Government has undertaken number of measures, inter-alia, extending the scheme of reimbursement of taxes and duties for export promotion replacing Merchandise Exports from India Scheme (MEIS) to incentivize exporters, fully automated electronic refund for Input Tax Credits in GST, and revised priority sector lending norms for exports credit.

In addition, the Union budget 2019-20 provides a push to infrastructure development with the intention to invest Rs. 100 lakh crore in infrastructure over the next five years and by restructuring of National Highway Programme. Scheme of Fund for Upgradation and Regeneration of Traditional Industries (SFURTI) has been started to facilitate cluster based development to make the traditional industries more productive, profitable and capable for generating sustained employment opportunities.

The annual GDP Growth Rates at Constant (2011-12) Prices during the last five years are as under:

| Year | GDP Growth Rate (In %) |
|--------------------|-------------------------------|
| 2014-15 | 7.4 |
| 2015-16 | 8.0 |
| 2016-17 | 8.2 |
| 2017-18 | 7.2 |
| 2018-19(PE) | 6.8 |

PE-Provisional Estimates

Government is undertaking number of measures to boost economic growth. Further, assessment by IMF and other multilateral organizations continue to underline a positive outlook on India.
