

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3180**

TO BE ANSWERED ON MONDAY, MARCH 15, 2021 / PHALGUNA 24, 1942 (SAKA)

‘FINANCIAL PACKAGE’

3180: SHRI MANISH TEWARI:

Will the Minister of **FINANCE** be pleased to state:

- a. the total quantum of the financial package announced and operationalised by the Government to bail out the economy in the wake of COVID-19;
- b. the exact quantum of the monetary component of the said Package;
- c. the manner in which the Indian financial stimulus is compared with the financial stimulus given by the US , China , Russia , Germany , France, Britain, Brazil and South Africa;
- d. the exact monetary component of the said packages respectively;
- e. the extent to which the Indian financial stimulus has helped to revive the Indian economy along with the details of quantification, sector wise; and
- f. whether the proposed 1.9 Trillion Dollar US Stimulus Package by the newly elected US President will have any impact on the Indian economy and if so, the details thereof?

ANSWER

**MINISTER OF STATE (FINANCE)
(SHRI ANURAG SINGH THAKUR)**

(a) to (d): The Government of India had announced AatmaNirbhar Bharat Packages (ANB) 1.0, 2.0, and 3.0 on 13th May, 2020 to 17th May, 2020, 12th October, 2020 and 12th November 2020 respectively with the objective of fighting COVID-19 and to make the country self-reliant. Total financial impact of ANB including measures taken by RBI was estimated to about Rs. 27.1 lakh crore, which amounts to more than 13% of GDP. Besides, a Rs.1.70 Lakh Crore relief package under the Pradhan Mantri Garib Kalyan Yojana (PMGKY) was also announced on 26.03.2020 to help the poor in the battle against Corona Virus. It inter-alia comprised of schemes like (a) release of Rs. 1000/- each to 3 crore aged widows and people in Divyang category (b) Additional allocation of food grain @ 5 kg per person per month & 1 Kg pulse free of cost to every family covered under the targeted public distribution system (c) free of cost gas cylinders to Ujjwala beneficiaries (d) Ex-gratia payment of Rs.500 per month for three months to 20.40 crore (approx) PMJDY women account-holders (e) Comprehensive Insurance Scheme for health workers (g) Release of 24% of the monthly wages into PF accounts of wage-earners, earning below Rs. 15,000 per month, in businesses having less than 100 workers, for three months. A statement indicating financial stimulus given by the US, China, Russia, Germany, France, Britain, Brazil and South Africa and their monetary component is at **Annexure-I**.

(e) & (f): The stimulus provided by the Government has led to a V-shaped recovery of the economy, resulting in a smaller contraction of Gross Domestic Product (GDP) growth of 7.3% in the second quarter and positive GDP growth of 0.4% in the third quarter of FY 2020-21 as in **Annexure-II**. Additional stimulus in advanced economies (AEs) will have favourable spill- overs to trading partners and capital flow spill-overs to emerging market economies (EMEs) including India as business sentiment improves and risk appetite intensifies.

Statement referred to in reply to parts (a) to (d) of LSUSQ No.3180 for answer on 15.03.2021

Quantum of key fiscal measures governments have announced or taken in selected economies in response to the COVID-19 pandemic as of December 31, 2020	Additional spending or foregone revenues	Accelerated spending / deferred revenue	Liquidity support
Country	USD billion		
France	198	63	405
Germany	418	-	1054
United Kingdom	441	9	437
United States	3503	18	510
Brazil	118	39	88
China	711	232	193
Russia	42	6	22
South Africa	16	3	12

Annexure-II

Statement referred to in reply to parts (e) & (f) of LSUSQ No.3180 for answer on 15.03.2021

Table 1: Quarter-wise growth of Gross Value Added (GVA) and GDP at Constant(2011-12) Prices (percent)			
Sectors	FY 2020-21		
	Q1	Q2	Q3
Agriculture, forestry & fishing	3.3	3	3.9
Industry	-35.9	-3	2.7
Mining & quarrying	-18	-7.6	-5.9
Manufacturing	-35.9	-1.5	1.6
Electricity, gas, water supply & other utility services	-9.9	2.3	7.3
Construction	-49.4	-7.2	6.2
Services	-21.4	-11.3	-1
Trade, hotel, transport, communication and services related to broadcasting	-47.6	-15.3	-7.7
Financial, real estate & professional services	-5.4	-9.5	6.6
Public administration, defence and other services	-9.7	-9.3	-1.5
GVA at basic price	-22.4	-7.3	1
GDP at market prices	-24.4	-7.3	0.4
Table 2: Quarterly Real growth of GDP and demand components (percent)			
Components	FY 2020-21		
	Q1	Q2	Q3
Total consumption expenditure	-20.0	-13.6	-2.2
Government consumption	12.8	-24.0	-1.1
Private consumption	-26.3	-11.3	-2.4
Gross fixed capital formation	-46.4	-6.8	2.6
Exports of goods and services	-22.0	-2.1	-4.6
Imports of goods and services	-41.1	-18.2	-4.6
GVA at basic price	-22.4	-7.3	1.0
GDP at market prices	-24.4	-7.3	0.4
