

(c) Yes Sir.

(d) The Gaganyaan Advisory Council comprises of Secretaries of Department of Space, Department of Science and Technology, Department of Defence Research and Development, Department of Scientific and Industrial Research, Principal Scientific Advisor to PM, Senior Officials from Armed Forces, Indian Coast Guard, Former Chairman of ISRO, Member of Space Commission, Former Director of Aeronautical Development Agency, Former Indian Astronaut, Directors of Premier Academic and Research Institutions and Heads of various Indian Industries.

#### **Over estimation of GDP Growth Rate**

2171. SHRI D. RAJA:

DR. K.V.P. RAMACHANDRA RAO:

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

(a) whether Government's attention has been drawn to the revelation made by the former Chief Economic Adviser, that India's Gross Domestic Product growth rate has been over-estimated by about 2.5 per-centage points per year post 2011;

(b) if so, the details in this regard, and Government's reaction thereto; and

(c) Government's reaction to his demand for revisiting the methodology for GDP estimation by an independent task force comprising national and international experts?

THE MINISTER OF STATE OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (RAO INDERJIT SINGH): (a) The Ministry is aware of the recent article by the former Chief Economic Adviser regarding the Gross Domestic Product (GDP) estimates. The author, in the article, has made certain assumptions and alleged that the methodology adopted by the Government leads to an overestimation of the GDP growth rates.

(b) The Ministry has refuted the allegations made in its detailed clarification *vide* press note dated June 11, 2019. The methodology adopted for estimation of Gross Domestic Product (GDP) in India is in line with the United Nations System of National Account (UN SNA) 2008, the international standard for compilation of National Accounts adopted by most countries. The Economic Advisory Council to The Prime Minister (EAC-PM), has also, separately, issued a detailed clarification to the article rejecting the allegations made.

(c) The methodology is finalized by the Advisory Committee on National Accounts Statistics (ACNAS), comprising members from Reserve Bank of India (RBI), National Statistical Commission (NSC), Ministry of Finance, State Governments, academia etc. The Committee goes into elaborate details of the methodology proposed in the UN SNA, 2008, assesses the availability of relevant data and recommends an appropriate approach applicable to the Indian context. In addition, international agencies like IMF also review the GDP estimation methodology through their technical assistance missions regularly.

**Impact of inflated GDP estimation on foreign investment**

2172. DR. SANTANU SEN: Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) whether it is a fact that GDP estimates from 2011 onwards, as claimed by the former Chief Economic Advisor, were inflated;

(b) if so, on whose instructions this inflation was done and to what extent the consequent high interest regime cost the economy;

(c) if not, whether these claims could affect foreign investment in the country; and

(d) if so, the proposal to undertake confidence building measures?

THE MINISTER OF STATE OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (RAOINDERJIT SINGH): (a) to (d) The former Chief Economic Adviser has recently written an article wherein he has alleged that the methodology adopted by the Government leads to an overestimation of the GDP growth rates. The Ministry, however, has refuted the allegations made in its detailed clarification *vide* press note dated June 11, 2019 and it follows the globally accepted methodologies.

The Gross Domestic Product (GDP) are compiled in India using the methodology finalized by the Advisory Committee on National Accounts Statistics (ACNAS), comprising experts from academia, members from Reserve Bank of India (RBI), National Statistical Commission (NSC), Ministry of Finance, State Governments etc. The present methodology of estimation of Gross Domestic Product (GDP) of India is in line with the United Nations System of National Account (UN SNA) 2008, the international standard in compilation of National Accounts. In addition, the Economic Advisory Council to the Prime Minister (EAC-PM), has also, separately, issued a detailed clarification to the