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## Modinomics Vs Manmohanomics: A Comparative Review Of India's Economic Indicators (2009-2019)

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### Abstract

This paper conducts a comparative analysis of India's economic performance under Prime Ministers Narendra Modi (2014-2019) and Manmohan Singh (2009-2014), examining a diverse set of economic indicators from 2009 to 2019. The study focuses on assessing the reliability of GDP growth figures against real-time economic indicators to uncover discrepancies and provide insights into economic policy effectiveness. Key indicators such as domestic sales of vehicles, retail loans, airline traffic, infrastructure development, tax collections, and inflation rates are analyzed to gauge economic health across both administrations. The findings suggest that while reported GDP growth was higher during Modi's tenure, many real-time indicators performed better under Singh's administration, questioning the accuracy of GDP data post-2015. This research underscores the importance of robust economic data for informed policy-making.

**Keywords:** Modinomics, Manmohanomics, GDP growth, economic indicators, India

### Introduction

Over the past decade, India's economic trajectory has been marked by contrasting policies and performance under the leadership of Prime Ministers Narendra Modi and Manmohan Singh. This period witnessed significant shifts in economic policies, regulatory frameworks, and global economic influences, all of which have shaped India's growth story. Prime Minister Manmohan Singh's tenure from 2009 to 2014 was characterized by policies emphasizing economic liberalization, inclusive growth initiatives, and substantial public investments in infrastructure and social welfare programs (Kundu, 2015). These policies aimed to propel India's economy forward amidst global economic uncertainties following the 2008 financial crisis.

In contrast, Prime Minister Narendra Modi assumed office in 2014 with promises of revitalizing the economy through his "Modinomics" agenda, which emphasized fiscal discipline, structural reforms, and initiatives such as Make in India and Digital India (Chaturvedi & Pathak, 2016). Modi's tenure sought to enhance ease of doing business, attract foreign investments, and promote sustainable development through initiatives like Swachh Bharat and Ayushman Bharat.

Central to understanding the economic performance under these administrations are the reported GDP growth figures, which have come under scrutiny for their consistency and accuracy, particularly following methodological changes in GDP calculation in 2015 (Bhalla, 2019). Despite reported high GDP growth rates during Modi's term, questions persist regarding the alignment of these figures with real-time economic indicators that reflect ground-level economic activities and sentiments (Rao & Kumar, 2020).

This paper conducts a comprehensive comparative analysis of key economic indicators spanning the periods of 2009-2014 under Manmohan Singh and 2014-2019 under Narendra Modi. By examining indicators such as domestic sales of vehicles, retail loans, industrial production, tax collections, infrastructure development, and others, this study aims to provide insights into the economic realities experienced by businesses and individuals during these periods. Through this analysis, the paper seeks to contribute to the ongoing discourse on the reliability of economic data in India and its implications for policymaking. The findings will highlight the strengths and weaknesses of economic policies pursued by different administrations and offer recommendations for improving data accuracy and transparency in economic reporting.

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## Objective of Study

1. To evaluate and compare the performance of selected indicators under the administrations of Prime Ministers Narendra Modi and Manmohan Singh.
2. To study the consistency and reliability of GDP growth figures in reflecting the underlying economic realities during these periods.
3. To study the economic policies and their impact on various sectors of the economy.
4. To examine the impact of policy-making and economic analysis in India.

## Literature Review

India's economic performance under different administrations, particularly under Prime Ministers Manmohan Singh (2009-2014) and Narendra Modi (2014-2019), has been a subject of considerable debate and analysis. This literature review examines studies that highlight the evolution and assessment of India's economic indicators during these periods, focusing on GDP growth, real-time economic indicators, and the methodological changes in GDP calculation.

Since 2015, India's GDP data has faced scrutiny due to methodological revisions introduced by the Central Statistics Office (CSO), altering the calculation base and affecting reported growth figures (Sharma, 2018). These changes have led to discrepancies between GDP growth rates and high-frequency economic indicators, prompting concerns about data accuracy and reliability (Jha, 2017).

Studies comparing economic indicators under Singh and Modi have shown contrasting trends. Singh's tenure witnessed robust growth in key sectors such as agriculture and manufacturing, supported by policies aimed at liberalizing the economy and fostering export-led growth (Banerjee & Duflo, 2014; Panagariya, 2013). In contrast, Modi's policies, characterized by initiatives like Make in India and Goods and Services Tax (GST) implementation, aimed at boosting manufacturing and formalizing the economy (Bhalla, 2017; Subramanian, 2019).

Real-time economic indicators such as domestic sales of vehicles, retail loans, and industrial production have been pivotal in assessing economic performance. Studies have noted discrepancies between GDP growth and these indicators, suggesting that they provide a more accurate reflection of economic conditions on the ground (Bhandari, 2020; Ghatge & Wright, 2017).

Critics argue that the new GDP methodology may not fully capture informal sector activities, impacting the overall GDP estimates (Rajan, 2019). This has implications for policy formulation and economic planning, as policymakers rely heavily on GDP data to gauge the effectiveness of government initiatives and interventions (Rangarajan & Srivastava, 2016).

The literature underscores the importance of using a comprehensive set of economic indicators to assess India's economic performance accurately. Future research should focus on refining GDP measurement methodologies and enhancing data transparency to provide policymakers with reliable insights into economic trends and challenges (Deaton & Dreze, 2002; Kumar & Mundle, 2018).

## Methodology

This study employs a comparative analysis of key economic indicators to evaluate the economic performance of India under the administrations of Prime Ministers Narendra Modi (2014-2019) and Manmohan Singh (2009-2014). The methodology involves selecting fifteen critical economic indicators that capture various aspects of economic activity and performance. These indicators include domestic sales figures for two-wheelers, cars, tractors, and commercial vehicles, incremental retail loans, airline passenger traffic, Indian Railways passenger revenues, production and consumption levels of cement and steel, growth rates in income tax and corporation tax collections, consumption patterns of petroleum products, inflation rates, household financial savings, and metrics related to road construction.

Data for each indicator are gathered from annual reports, statistical publications, and databases maintained by governmental and non-governmental organizations. Industry-specific reports and sales data from manufacturers and financial institutions are utilized for indicators such as domestic vehicle sales and retail loans. Macroeconomic indicators like GDP growth rates, inflation figures, and tax collections are sourced from official publications such as the Reserve Bank of India (RBI), Ministry of Finance, and Central Statistical Office (CSO).

The study covers two distinct periods: the tenure of Prime Minister Manmohan Singh from 2009 to 2014 and Prime Minister Narendra Modi from 2014 to 2019. Annual data points for each indicator are collected and analyzed across these periods to identify trends and changes over time. Comparative analysis involves calculating annual growth rates, averages, and trends for each economic indicator during the respective administrations. Statistical tools such as percentage growth calculations, average annual growth rates, and comparative charts are employed to quantify and visualize differences in economic performance between the two periods. The analysis focuses on identifying patterns, correlations, and discrepancies between reported GDP growth figures and real-time economic indicators to provide insights into the economic policies and outcomes under each administration. Recognizing potential limitations in data availability, consistency across periods, and the reliability of certain economic indicators, the study aims to provide a nuanced understanding of "Modinomics" versus "Manmohanomics." Findings from this

comparative analysis will inform discussions on the reliability of GDP data and may lead to recommendations for enhancing data transparency, refining GDP calculation methodologies, and adjusting policies to better align economic indicators with real-time economic conditions.

## Data Analysis

The data analysis of this study provide a comparative analysis of key economic indicators during the tenures of Prime Ministers Manmohan Singh (2009-2014) and Narendra Modi (2014-2019). The analysis examines various aspects of India's economy, including domestic vehicle sales, agricultural and industrial indicators, financial indicators, infrastructure and energy, and transport and industrial output. Each category highlights the differences in economic performance under the two administrations.

**Table 1. Domestic Sales of Vehicles**

Indicator	Singh's Term (2009-2014)	Modi's Term (2014-2019)
Motorcycle Sales Growth (%)	12.44	5.35
Scooter Sales Growth (%)	25.7	13.21
Car Sales Growth (%)	7.92	4.42

**Interpretation:** During Manmohan Singh's tenure from 2009 to 2014, India witnessed robust growth in motorcycle and scooter sales, with growth rates of 12.44% and 25.7% respectively. These figures underscored a period marked by strong consumer confidence and vibrant economic activity, evident across both urban and rural regions. The higher growth rates in motorcycle and scooter sales during this period highlighted substantial purchasing power and robust economic participation among consumers. In contrast, under Narendra Modi's administration from 2014 to 2019, the growth rates for motorcycle and scooter sales moderated to 5.35% and 13.21% respectively. This slowdown reflected a more cautious consumer environment influenced by economic uncertainties and shifting market dynamics during Modi's tenure. The slower growth in vehicle sales indicated challenges in sustaining previous levels of consumer confidence and economic momentum seen in the earlier period. Car sales growth also exhibited a similar pattern, with a growth rate of 7.92% during Singh's term compared to 4.42% under Modi. This decline in car sales growth highlighted broader economic challenges affecting higher-value purchases, suggesting subdued consumer sentiment and cautious spending behavior during Modi's administration. The comparison illustrates a transition from robust growth rates in vehicle sales during Manmohan Singh's tenure to more moderated growth under Narendra Modi. This shift underscores varying economic conditions and consumer behaviors over the two administrations, reflecting broader economic trends and policy impacts on consumer spending patterns in India.

**Table 2. Agricultural and Industrial Indicators**

Indicator	Singh's Term (2009-2014)	Modi's Term (2014-2019)
Tractor Sales Growth (%)	15.73	4.49
Commercial Vehicles Sales Growth (%)	10.5	9.74
Cement Production Growth (%)	7.05	4.32
Steel Consumption Growth (%)	7.18	5.18

**Interpretation:** During Manmohan Singh's tenure from 2009 to 2014, tractor sales grew impressively by 15.73% annually, signaling a period of vibrant agricultural activity and favorable conditions for farmers. This growth underscored robust rural economic dynamics and agricultural prosperity. In contrast, under Narendra Modi's administration from 2014 to 2019, tractor sales growth significantly slowed to 4.49%. This slowdown reflects notable challenges within the agricultural sector and subdued rural demand during Modi's term, impacting the pace of agricultural expansion and farmer income growth. Commercial vehicle sales, critical for assessing industrial activity and infrastructure development, maintained solid growth rates under both administrations. However, there was a marginal decrease from 10.50% growth during Singh's term to 9.74% under Modi. This suggests a continuation of industrial momentum across both periods, albeit with a slight moderation observed during Modi's tenure. This trend indicates ongoing infrastructure projects and industrial expansion efforts, albeit at a slightly slower pace in recent years.

In terms of construction and infrastructure, cement production grew at a slower annual rate of 4.32% during Modi's term, compared to 7.05% under Singh's term. This decline points to a deceleration in construction activities and infrastructure projects, possibly influenced by economic factors affecting the real estate and construction sectors during Modi's leadership. Similarly, steel consumption growth decreased from 7.18% under Singh to 5.18% under Modi, indicating broader economic challenges and a slowdown in industrial expansion and infrastructure development requiring steel. These interpretations highlight nuanced shifts in sectoral performance under

different economic policies, emphasizing how policy decisions can significantly impact agricultural prosperity, industrial growth, and infrastructure development over the studied periods.

**Table 3. Financial Indicators**

Indicator	Singh's Term (2009-2014)	Modi's Term (2014-2019)
Incremental Retail Loans Growth (%)	22.47	19.92
Income Tax Growth (%)	17.53	16.85
Corporation Tax Growth (%)	13.09	11.2
Household Financial Savings Growth (%)	13	11.94

**Interpretation:** The comparison of financial indicators between the terms of Manmohan Singh and Narendra Modi reveals a consistent growth trajectory with nuanced variations. During Singh's tenure from 2009 to 2014, retail loans grew impressively at an annual rate of 22.47%, indicating robust consumer confidence and spending. In contrast, under Modi's administration from 2014 to 2019, retail loan growth slightly moderated to 19.92%, yet continued to expand steadily, reflecting sustained consumer demand and economic activity. Similarly, income tax collections showed robust growth under both administrations, with Singh's term registering a growth rate of 17.53% annually, slightly higher than Modi's 16.85%. This underscores stable income growth and effective tax compliance efforts during both periods, contributing to fiscal stability and resource mobilization. Corporation tax, however, exhibited a moderation in growth from 13.09% annually under Singh to 11.20% under Modi. This shift may be attributed to economic reforms aimed at improving business competitiveness and compliance, while still indicating ongoing corporate profitability and economic resilience. Household financial savings grew steadily during both terms, with Singh's period recording growth at 13.00% annually compared to Modi's 11.94%. This continuity reflects a strong savings culture and financial stability among Indian households, bolstering overall economic resilience. These interpretations underscore the resilience and stability of India's financial sector across different administrations, contributing to broader economic stability and sustained growth. The variations observed highlight the nuanced impact of policy measures and economic conditions on key financial indicators, shaping India's economic trajectory over the past decade.

**Table 4. Infrastructure and Energy**

Indicator	Singh's Term (2009-2014)	Modi's Term (2014-2019)
Road Construction Growth (%)	5.29	8.25
Consumption of Petroleum Products Growth (%)	3.47	5.91

**Interpretation:** During Manmohan Singh's term from 2009 to 2014, road construction advanced steadily at an annual rate of 5.29%, reflecting ongoing efforts in infrastructure development. In contrast, Narendra Modi's administration from 2014 to 2019 witnessed a significant acceleration in road construction growth to 8.25% annually. This surge underscores Modi's prioritization of expanding and modernizing India's road networks, aimed at fostering economic growth and improving nationwide connectivity. Under the Singh's leadership, the consumption of petroleum products grew at a moderate pace of 3.47% annually from 2009 to 2014, indicative of stable industrial and transport demands during that period. In contrast, during Modi's tenure from 2014 to 2019, the consumption of petroleum products accelerated to 5.91% annually. This faster growth suggests heightened industrial activity and increased transport usage under Modi's administration, signaling robust economic momentum and greater energy consumption driven by infrastructure expansion and industrial growth initiatives. The data highlights a proactive approach under Modi's government towards infrastructure development and economic expansion, leading to enhanced connectivity and heightened industrial output compared to Singh's administration.

**Table 5. Transport and Industrial Output**

Indicator	Singh's Term (2009-2014)	Modi's Term (2014-2019)
Airline Passenger Traffic Growth (%)	9.2	15.28
Indian Railways Passenger Revenues Growth (%)	10.81	7.32

**Interpretation:** The comparison of transport and industrial output between the terms of Manmohan Singh and Narendra Modi reveals distinct trends in airline passenger traffic and Indian Railways passenger revenues. During Singh's tenure from 2009 to 2014, airline passenger traffic grew steadily at an annual rate of 9.20%, indicating consistent demand for air travel. In contrast, under Modi's administration from 2014 to 2019, there was a notable acceleration in airline passenger traffic, reaching an annual growth rate of 15.28%. This significant increase reflects improvements in aviation infrastructure and increased affordability, contributing to a surge in consumer preference for domestic air travel during Modi's term.

The Indian Railways passenger revenues saw robust growth of 10.81% annually under Singh, signaling strong usage and revenue generation from railway services. In contrast, under Modi, while Indian Railways passenger revenues continued to grow, the pace moderated to 7.32% annually. This suggests stable growth in railway service

revenues but at a slightly slower rate compared to Singh's term. These trends underscore the evolving dynamics in the transport sector under different administrations, shaped by infrastructure investments, economic policies, and changing consumer behaviors towards modes of travel.

## Discussion

A comparative analysis of India's economic indicators under the Manmohan Singh (2009-2014) and Narendra Modi (2014-2019) governments reveals subtle trends and changes in economic performance across key sectors. While GDP growth figures often serve as a key indicator of the health of the economy, examining real-time sector data gives a more detailed perspective on economic trends during the period. During Manmohan Singh's tenure, India witnessed robust growth in automobile sales, particularly motorcycles and scooters, with growth rates of 12.44% and 25.7% per annum, respectively. These figures confirm that consumer confidence and economic activity remained buoyant, benefiting both urban and rural areas. Annual growth of 15.73% in agricultural indicators such as tractor sales attests to strong economic dynamism in rural areas and agricultural prosperity. Commercial vehicle sales and industrial production also recorded healthy growth rates, indicating robust industrial activity and infrastructure development.

In contrast, under the Narendra Modi government, there was sustained expansion in areas such as road construction, which grew at an accelerated rate of 8.25% per year, while other sectors saw notable changes. Growth in motorcycle and scooter sales slowed to 5.35% and 13.21%, respectively, reflecting a cautious consumer environment due to economic uncertainty and changing market dynamics. Growth in tractor sales slowed significantly to 4.

49%, indicating challenges in the agriculture sector and weak demand from rural areas are impacting agricultural expansion. On the financial side, personal credit growth continued steadily under both governments, but slowed slightly to 19.92% per year under the Modi government compared to 22.47% per year under the Singh government. Income tax and corporate tax revenues remained robust, indicating steady revenue growth and effective tax compliance efforts throughout both periods, contributing to fiscal stability. Infrastructure development under the Modi government made significant progress, with road construction in particular growing faster than under the Singh government. However, challenges in areas such as cement production and steel consumption suggested that broader economic pressures were impacting industrial growth and infrastructure development efforts during Modi's term. In the transport sector, air passenger traffic grew notably under the Modi government, growing at a faster pace of 15.28% per year than the 9.20% under the Singh government, due to improved aviation infrastructure and increased affordability encouraging consumer preferences. Indian Railways continued to record revenue growth under the Modi government, but the pace was slightly slower at 7.32% per year compared to 10.81% under the Singh government, indicating steady but modest growth in revenue from the rail services sector. The results suggest a complex interplay of policy decisions, economic conditions and sector-specific challenges that have influenced India's economic development over the past decade. While both governments have contributed to different aspects of economic development, this analysis highlights the importance of real-time sector data alongside GDP figures in a comprehensive assessment of economic performance. This nuanced approach will be critical for policymakers to craft targeted strategies that address sector-specific challenges and capture opportunities for sustainable economic growth in India.

## Conclusion

This comparative study, analysing India's economic performance from 2009 to 2019 under Modinomics and Manmohanomics, reveals significant nuances between reported GDP growth figures and real-time economic indicators. While GDP growth has traditionally been the basis for economic assessment, the inconsistencies uncovered in the study highlight the crucial importance of complementing macroeconomic data with sector-specific indicators to provide a comprehensive view of economic activity. During Manmohan Singh's tenure (2009-2014), India experienced robust growth across sectors. The period was characterised by favourable growth in key financial indicators such as automobile sales, farm machinery, personal loans and income tax revenues. These indicators reflected robust consumer confidence, thriving agricultural productivity and steady financial sector expansion, which together contributed to a vibrant economic climate. In contrast, while overall GDP growth was robust, the evolution of key economic indicators under the Narendra Modi government (2014-2019) presented a more nuanced picture. Notably, there was a significant acceleration in areas such as road construction and aviation, signaling targeted efforts towards improving infrastructure and connectivity across the country. However, other sectors such as automobile sales, cement production, and steel consumption showed modest growth rates compared to the previous administration, indicating different economic dynamics and changes in consumer behavior during Modi's tenure. The divergence between GDP growth figures and real-time economic indicators highlights the complexities involved in accurately assessing India's economic health. While policy interventions under both governments were aimed at promoting growth, differences in sectoral performance highlight the impact of policy decisions on specific industries and consumer trends. Policymakers are urged to adopt a balanced

approach that integrates macroeconomic indicators with real-time sector data. This approach will enable more targeted strategies to effectively address sector-specific challenges and seize opportunities for sustainable economic growth. Improving transparency and reliability in economic data collection and reporting processes is critical for a comprehensive and accurate assessment of India's future economic performance. The study highlights the need for a nuanced understanding of India's economic landscape based on a holistic assessment that includes both GDP growth trends and sector-specific dynamics. In this way, policymakers can manage complex economic operations more effectively and foster inclusive growth that benefits all sections of society.

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