

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

STARRED QUESTION NO:479  
ANSWERED ON:28.04.2010  
REVIEW OF ECONOMIC GROWTH RATE  
Patel Shri Kishanbhai Vestabhai;Sharma Shri Jagdish

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

- (a) whether the Government reviews the projected economic growth of the country regularly;
- (b) if so, the details thereof;
- (c) whether the target set for annual growth rate of the economy during the Eleventh Five Year Plan has been slashed recently;
- (d) if so, the details thereof and the reasons therefor alongwith the targets set earlier and the targets now revised;
- (e) the projected growth rate for the year 2010-11 and achieved during the first three years of the Eleventh Five Year Plan, sector-wise; and
- (f) the policy measures initiated by the Government to attain the desired growth rate?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI V. NARAYANASAMY)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA STARRED QUESTION NO.479 REGARDING "REVIEW OF ECONOMIC GROWTH RATE" BY SHRI JAGDISH SHARMA AND SHRI KISHNBHAI V.PATEL DUE FOR ANSWER ON 28-04-2010

(a) to (f): The Government reviews the projected economic growth of the country constantly. The Eleventh Five Year Plan (2007-12) envisages an annual average growth rate of 9% of Gross Domestic Product (GDP) with target growth rate of 4% in the agricultural sector, 10 to 11% in the industrial sector and 9 to 11% in the services sector. During the first year of the Eleventh Plan (2007-08) the growth rate of GDP was estimated at 9.2%. However, the growth rate decelerated to 6.7% in 2008-09 on account of global slowdown and low growth rate in the agriculture sector due to erratic rainfall and drought like situation in the country. The Advance Estimates of National Income released by the Central Statistical Organisation (CSO) indicate that during 2009-10, a growth rate of 7.2% will be achieved and is expected to accelerate further in the next financial year. The details of targeted and achieved growth rate of the economy across sectors are given at Annex-I.

The Government has been taking several measures to attain the desired growth rate in the country. The three successive fiscal stimulus packages announced by the Government coupled with active monetary policy support have led to a recovery of the economy. The fiscal expansion by way of reduction in taxes and increased public expenditure have had an impact on the economy. The quick recovery of the economy from 6.7% in 2008-09 to an estimated 7.2% for the year 2009-10, indicates the effectiveness of the policy response of the Government in the wake of the financial crisis.

The Planning Commission is seized of the work on Mid-Term Appraisal of the Eleventh Plan covering the growth prospects of the economy during the plan.