

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1015
ANSWERED ON:30.07.2010
GDP
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Will the Minister of FINANCE be pleased to state:

- (a) the target vis-a-vis achievement of Gross Domestic Product (GDP) during the Financial Year 2009-2010;
- (b) the reasons for below par achievement of target;
- (c) the target fixed for the next five years; and
- (d) the steps taken or proposed to be taken to achieve the target and maintain GDP growth?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (d): No specific annual targets are set by the Government for real gross domestic product (GDP) growth. In the period 2005-06 to 2007-08, facilitated by a sharp rise in investment in conjunction with robust consumption, real GDP grew by an annual average rate of 9.5 per cent. However, the global financial & economic crisis adversely affected the Indian economy which resulted in a slowdown in growth to 6.7 per cent in 2008-09. The fiscal and other policies pursued by the government to obviate the adverse impact of the crisis helped in the growth rebound (7.4 per cent) in 2009-10. The Eleventh Plan (2007-12) had originally envisaged average annual growth of 9 per cent; the Mid-term Appraisal of the Eleventh Plan of the Planning Commission estimates the revised annual average growth for the entire plan period at 8.1 per cent after factoring the economic developments in the last three years.