

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4703  
ANSWERED ON:07.08.2009  
WEAK RECOVERY OF ECONOMY  
Gaikwad Shri Eknath Mahadeo;Yaskhi Shri Madhu Goud

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

- (a) whether the Indian economy is likely to face weak recovery next year from a sharp contraction this year;
- (b) if so, the details thereof; and
- (c) the steps taken or proposed to be taken by the Government in this regard?

**Answer**

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

(a) and (b) As per the Economic Survey 2008-09, the real Gross Domestic Product (GDP) at factor cost is expected to grow at around 7.0±0.75 per cent in the fiscal 2009-10, assuming a normal monsoon. A 'U' shaped revival of growth path is expected with two not so good quarters followed by two good quarters.

(c) The steps initiated by the Government for sustaining growth momentum include short term measures of fiscal stimulus packages by enhancing expenditure levels and duty reductions. The Budget 2009-10 has inter-alia indicated the relevance of measures such as, stimulating investment in infrastructure, development of agriculture and providing assistance to exporters to help overcome short term disadvantages etc. The Central Government has increased the Budgetary allocation for 2009-10 for plan and non-plan expenditure by 34 per cent and 37 per cent over the budget estimates of 2008-09.