

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:775

ANSWERED ON:25.02.2011

GDP GROWTH RATE

Joshi Dr. Murlī Manohar;Sharma Shri Jagdish

Will the Minister of FINANCE be pleased to state:

- (a) whether the Reserve Bank of India has conducted a nationwide survey in December 2010 to find out the annual growth rate in GDP;
- (b) if so, the annual growth rate in GDP on the basis of the said survey;
- (c) whether in the face of high inflation rate in the country this growth in GDP can be considered as a sign of satisfactory progress; and
- (d) if so, the details thereof?

Answer

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

(a) to (d): Yes, Sir. The Reserve Bank of India has conducted the 14th quarterly Survey of Professional Forecasters on major macroeconomic indicators including GDP in December 2010, the results of which were released by the Reserve Bank on its website on February 2, 2011. Based on the survey, the median real GDP growth rate forecast was revised upwards to 8.7 per cent in 2010-11 from 8.5 per cent in the last survey, the results of which were released on November 16, 2010. The higher forecast was driven mainly by increased agricultural growth and growth in services. As set out in the Third Quarter Review of Monetary Policy 2010-11, released on January 25, 2011, the Reserve Bank's indicative projection of real GDP growth for 2010-11 is 8.5 per cent with an upside bias. Growth of the economy in real terms is measured by GDP at factor cost at constant prices (prices that prevailed in the base year of the National Accounts). The base year of the current series of National Accounts is 2004-05.