

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:4499
ANSWERED ON:21.12.2011
ANNUAL GROWTH RATE
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Will the Minister of PLANNING be pleased to state:

- (a) whether annual growth rate for the quarter ending September of the current financial year is less than expected target;
- (b) if so, whether it is the minimum growth rate registered from time to time during the last two years;
- (c) if so, the facts in this regard and the reasons for this shortfall; and
- (d) the role of domestic and international circumstances in this regard?

Answer

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (DR. ASHWANI KUMAR)

(a) to (d): The annual average growth target of the economy is not fixed for each quarter of the financial year separately. However, the growth rate of the economy, measured by the growth rate of Gross Domestic Product (GDP) at factor cost at constant 2004-05 prices for the quarter ending September, 2011 is estimated at 6.9% over the corresponding quarter of the previous year. This growth rate is lower than the growth rate of 8.4% recorded for the same quarter in the previous year. This is also the minimum quarterly growth rate achieved so far during last two years.

A number of factors including the global economic situation, negative growth in mining & quarrying, decline in the growth of manufacturing and construction, domestic inflation followed by tight monetary policy have resulted in low rates of economic growth. Government is constantly monitoring the situation and is initiating suitable policy interventions as advised by experts.