

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2698
ANSWERED ON:09.12.2011
GROWTH RATE OF ECONOMY
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Will the Minister of FINANCE be pleased to state:

- (a) the rate of growth achieved by the Indian economy during the last three years and the current year;
- (b) whether the growth of the economy in the recent quarters is lower than expected;
- (c) if so, the details thereof: and
- (d) the remedial measures taken to check the slow down in the economy?

Answer

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

(a) The rate of growth of Gross Domestic Product (GDP), at factor cost at constant 2004-05 prices, during the last three years and during April- September, 2011-12, the latest period for which data is available, is given below:

| Year | Growth of GDP (in per cent) |
|------|-----------------------------|
|------|-----------------------------|

| | |
|---------------------------|-----|
| 2008-09 | 6.8 |
| 2009-10 | 8.0 |
| 2010-11 | 8.5 |
| 2011-12 (April-September) | 7.3 |

- (b) There has been a slow down in growth in the recent quarters.
- (c) The Indian economy grew at 7.7 per cent and 6.9 per cent during the first two quarters of 2011-12.
- (d) The Government has pursued prudent macroeconomic policies on an ongoing basis with a countercyclical focus in recent years to obviate the impact of global financial crisis, strengthened structural measures to promote growth, develop product as well as financial markets, and increased social spending to provide a stronger foundation to protect the poor. Specific measures taken in the recent period to boost growth include, among others, enhancing investment in the Infrastructure sector through creation of Infrastructure Debt Fund, focusing on Public Private Partnerships, announcement of New Manufacturing Policy, announcement of new Draft Telecom Policy, introduction of Land Acquisition Bill in the Parliament, and a number of legislative measures to develop banking sector in India.