

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

STARRED QUESTION NO:76
ANSWERED ON:08.07.2009
ANNUAL GROWTH RATE OF THE STATES
Joshi Dr. Murlī Manohar

Will the Minister of PLANNING be pleased to state:

- (a) whether various States in the country have registered different annual growth rates during the last three years;
- (b) if so, the names of the States which have registered lower than the national average rate of growth and the reasons therefor; and
- (c) the steps taken by the Government to ensure adequate/balanced growth of all the States of the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI V. NARAYANASAMY)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 76 REGARDING "ANNUAL GROWTH RATE OF THE STATES" BY DR. MURLI MANOHAR JOSHI DUE FOR ANSWER ON 8th JULY, 2009

(a): The status of growth in different states measured in terms of annual average growth rate of Gross State Domestic Product (GSDP) at factor cost at 1999-00 prices for the period 2005-06 to 2007-08 is given in the statement at Annexure-I. During this period, the average annual growth rate varied from 3.9% for Arunachal Pradesh to 11% for Haryana.

(b): The states which registered growth rate below the average growth rate of the country are Arunachal Pradesh, Assam, Jharkhand, Himachal Pradesh, Jammu & Kashmir, Madhya Pradesh, Chattisgarh, Manipur, Meghalaya, Mizoram, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttar Pradesh, Uttarakhand and West Bengal. Inter-state variations in growth rates are largely due to historical difference in initial conditions, natural resource endowments, level of industrialization and differences in human capital indicators viz. education, health etc. However, there is no uniform pattern that seems to be applicable to all the states.

(c): The Government has been taking several measures to improve the growth rate across the country in a balanced manner. The policy instruments in this regard include plan and non- plan transfer of resources from the Centre to States favouring less developed States, tax incentives for setting up of private industries in the backward regions, etc. A number of programmes have been initiated to reduce income disparity between States. These include Backward Regions Grant Fund (BRGF), Hill Area Development Programme and Border Area Development Programme, etc.