

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5890

ANSWERED ON:11.05.2012

ECONOMY FORECAST

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Will the Minister of FINANCE be pleased to state:

(a) the details of growth forecast of the country made by the Government vis-a-vis that made by international agencies like International Monetary Fund (IMF) etc. for the current year and beyond alongwith reasons for variation if any;

(b) whether India has apprehended any prospect of the country's Gross Domestic Product (GDP) becoming number one in the world and if so, the details thereof; and

(c) the manner in which the Government proposes to manage and further boost the growth rate of; such a huge economy in future?

Answer

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

(a) & (b): As per latest information available from the world Economic Outlook published by International Monetary Fund, India's the real growth rate of GDP at market prices is projected to be 6.9 and 7.3 per cent for 2012 and 2013. As per Economic Survey 2011-12 the growth rate of real GDP for 2012-13 is projected to be 7.6 (+/-0.25) per cent. The Economic Survey also states that by any cross country comparison India will be among the front runners in terms of growth rate of GDP.

(c): The Approach Paper to the Twelfth Five Year Plan (2012-17) proposes a faster, more inclusive and sustainable growth with a target of 9 per cent annual growth rate of GDP. The key requirements for achieving the goal are better performance in agriculture (at least 4 per cent growth), faster creation of jobs in manufacturing, development of appropriate infrastructure facilities, etc.. Certain specific measures taken to boost growth rate of the economy by government, inter alia, include enhancing level of investment for agriculture sector including irrigation projects, promoting Micro Small & Medium Enterprises (MSME) sector by way of higher allocation of funds, enhancing investment in the infrastructure sector focusing on Public Private Partnership and a number of legislative measures to develop the financial sector, etc.