

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2071

ANSWERED ON:02.12.2009

ASSESSMENT OF ECONOMIC SLOWDOWN

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Will the Minister of PLANNING be pleased to state:

- (a) whether a meeting of Planning Commission was held to take stock of State of national economic in the backdrop of economic downturn and emerging drought situation due to monsoon failure;
- (b) if so, the details thereof;
- (c) whether issues such as revising the Eleventh Plan growth and sectoral targets were also discussed in the said meeting; and
- (d) if so, the outcome of the discussions?

Answer

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

(a) & (b): Yes, Sir. The first meeting of the newly constituted Full Planning Commission was held on 1st September.2009 under the Chairmanship of Hon'ble Prime Minister to discuss the state of economy and assessment of Integrated Energy Policy of the country. The issues such as deceleration in the growth rate in the Indian Economy on account of global slow down, negative growth rate in the agricultural sector during the current year due to drought, reduction in exports and status implementation of Integrated Energy Policy etc. came up for discussion.

(c) and (d): Revision of the Eleventh Plan growth and sectoral targets was not discussed in meeting. The following major conclusions emerged from the discussions:-

1. There is a need to build on the strengths of the past to tackle the new challenges posed by global economic slow down and drought in the current year.
2. The consequences of drought can be managed as sufficient food stocks are available, however, there was a need for management of food economy, macro economy, drought and protection of kharif & rabi crops.
3. Need to converge National Rural Employment Scheme (NREGS) and other agricultural and rural schemes to minimize the impact of drought in 2009-10.
4. Reviving investment, containing fiscal deficit within the limits of prudence, raising resources and using them efficiently.
5. To mobilize resources to sustain the momentum of Planned Development of the Eleventh Five Year Plan.