

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:2072
ANSWERED ON:02.12.2009
GROWTH RATE
Chowdhury Shri Adhir Ranjan

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government proposes to raise the projected economic growth rate of the country to nine percent;
- (b) if so, the details thereof;
- (c) whether the Government has formulated any special action plan to achieve this target; and
- (d) if so, the details thereof?

Answer

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

(a) & (b): The Eleventh Five Year Plan (2007-12) aims at achieving an average growth rate of 9 %, with targeted growth rate of 4% per year in the agricultural sector, 10 to 11% per year in the industrial sector and 9 to 11% per year in the services sector. During the first year of Eleventh Plan (2007-08) the growth rate of GDP is estimated at 9% with 4.9% growth in agriculture, 8.1% in industry and 10.3% in services sector. However, there has been a deceleration in the growth rate in the Indian Economy on account of global slow down and negative growth rate in the agriculture sector due to drought situation during 2008-09. The growth rate of GDP for 2008-09 is estimated at 6.7 % (Revised Estimates) with 1.6% growth in agriculture, 4.2% in industry and 10 % in services sector.

(c) & (d): The economic position of the country is reviewed by the Government constantly at various levels. The Planning Commission in its meeting held under the Chairmanship of Honorable Prime Minister on September 1, 2009 reviewed the situation and arrived at the following conclusions to tackle the situation:

- # There is a need to build on the strengths of the past to tackle the new challenges posed by the global economic slowdown and drought in the current year.
- # The consequences of drought can be managed as sufficient food stocks are available. However, there is a need for management of food economy, macro economy, drought and protection of Kharif and Rabi crops.
- # Need to converge National Rural Employment Scheme (NREGS) and other agricultural and rural schemes to minimize the impact of drought in 2009-10.
- # Reviving investment, containing Fiscal Deficit within the limits of prudence, raising resources and using them efficiently.
- # To mobilize resources to sustain the momentum of Planned Development of the Eleventh Five Year Plan.