

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:814

ANSWERED ON:27.02.2015

GDP GROWTH RATE

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**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Gross Domestic Product (GDP) growth rate of the country has declined during each of the last three years and the current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has projected 6.5 per cent GDP growth for the current year, if so, the details thereof along with the steps taken/being taken by the Government so far to achieve the projected GDP growth;
- (d) the growth rate registered by the service, manufacturing and agriculture sectors during the current year, quarter-wise;
- (e) whether contribution from Agricultural Sector in GDP has shown a decline, if so, the details thereof and the steps taken to improve its contribution;
- (f) whether Government proposes to promote inclusive growth by passing the benefits of higher growth rate; and
- (g) if so, the details thereof and the steps taken by the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

(a) As per the new series estimates of national income with base 2011-12, the growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices is available only from the year 2012-13. The growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices has increased from 5.1 per cent in 2012-13 to 6.9 per cent in 2013-14 and is estimated to further increase to 7.4 percent in 2014-15, as per the Advance Estimates released by the Central statistics Office (CSO).

(b) Does not arise.

(c) As per the Advance Estimates released by the Central statistics Office (CSO), the growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices is projected to be 7.4 percent in 2014-15. Several measures were outlined in the Union Budget 2014-15 that aimed at reviving growth of GDP that, inter-alia, included: fiscal consolidation with emphasis on expenditure reforms and continuation of fiscal reforms with rationalization of tax structure; fillip to industry and infrastructure through fiscal incentives and concrete measures for transport, power, and other urban and rural infrastructure; measures for promotion of Foreign Direct Investment in selected sectors, including defence manufacturing and insurance; and, steps to augment low cost long-term foreign borrowings by Indian companies. Subsequently, steps have been taken to revive GDP growth that, among others include: deregulation of diesel prices and finalization of natural gas pricing policy; Make in India initiative, launched in September 2014, along with the attendant investment facilitatory measures; labour reforms; measures towards rationalization of subsidies including direct benefit transfer; amendments in the Land Acquisition, Rehabilitation and Resettlement Act 2013, and, Coal Mines Ordinance 2014; financial inclusion and boost to saving through Pradhan Mantri Jan-Dhan Yojana; and Digital India and Skill India initiatives.

(d) The quarter wise growth rates, in the Gross Value Added (GVA) at constant (2011-12) basic prices, registered by the services, manufacturing and agriculture sectors during the year 2014-15 are given in the table below:

Sectors	Growth Rate (in per cent)		
	Quarter 1	Quarter 2	Quarter 3
Services	8.6	10.1	13.5
Manufacturing	6.3	5.6	4.2
Agriculture, forestry & fishing	3.5	2.0	-0.4

(e) The contribution of agriculture, forestry and fishing in GVA at current basic prices declined from 18.4 per cent in 2011-12 to 18.0 per cent each in 2012-13 and 2013-14 and is estimated to further decline to 17.0 per cent as per the Advance Estimates for 2014-15.

Some initiatives announced by the Government to improve the growth in agriculture under Budget 2014-15, inter alia, include; Pradhan Mantri Krishi Sinchayee Yojana; Neeranchal, a programme to give additional impetus to watershed development; the National Adaptation Fund for Climate Change; a scheme to provide, in mission mode, a soil health card to every farmer; additional amount to set up 100 mobile soil-testing laboratories across the country; Kisan TV for disseminating real-time information to farmers regarding new farming techniques, water conservation and organic farming; and, allocation of Rs. 5,000 crore provided for the Warehouse Infrastructure Fund. Apart from focusing on agricultural credit, with a target of Rs. 8 lakh crore announced in the Budget 2014-15, the Government is implementing programmes like Rashtriya Krishi Vikas Yojana, National Food Security Mission and Mission for Integrated Development of Horticulture for raising investments in agriculture.

(f) & (g) The Government has adopted the strategy of inclusive growth to ensure that the benefits of growth flow to the poor, weaker and marginalized sections. The Government is implementing a number of programmes such as Deen Dayal Upadhyaya Gram Jyoti Yojana, Shyama Prasad Mukherji Rurban Mission, Pradhan Mantri Jan-Dhan Yojana, Mahatma Gandhi National Rural Employment Guarantee Scheme, National Rural Livelihoods Mission, National Urban Livelihoods Mission, Jawaharlal Nehru National Urban Renewal Mission, Rajiv Awas Yojana, Indira Awas Yojana, National Health Mission, Sarva Shiksha Abhiyan, Mid-Day Meal Scheme, Integrated Child Development Services, Rajiv Gandhi National Drinking Water Mission, Targeted Public Distribution System/National Food Security Act, National Social Assistance Programme, Swachh Bharat Mission, etc. towards fostering inclusive development.