

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:6923

ANSWERED ON:09.05.2003

GROSS DOMESTIC PRODUCTS

M.V.V.S MURTHI;NIVEDITA MANE;SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether the survey brought out by UN's Economic and Social Commission for Asia and Pacific (ESCAP), earlier projected India's gross domestic product growth at 6 per cent for 2003;
- (b) if so, whether ESCAP has now downwards India's GDP to 5.1 per cent for the year 2003;
- (c) if so, the reasons given by them for the same;
- (d) the response of the Government on the report of ESCAP; and
- (e) the corrective steps taken or likely to be taken by the Government?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO V. ADSUL)

(a) to (d): Economic and Social Commission for Asia and the Pacific (ESCAP) in its 'Economic and Social Survey of Asia and the Pacific 2003' brought out in March, 2003 has projected India's real GDP growth rate at 6 per cent for 2003. At the time of Survey's media launch on April 17, 2003, ESCAP has indicated a revised growth rate of 5.1 per cent based on the projection made by the International Monetary Fund. The projection by ESCAP is based on its perception of growth prospects in 2003. Different agencies make projections of growth based on their perceptions of growth prospects. The Government has taken note of the projection by the ESCAP.

(e): The Union Budget for 2003-04 has proposed a number of initiatives such as promoting infrastructure development by leveraging public money through private sector participation, promoting private investment and measures aimed at fiscal consolidation. These initiatives are expected to have a positive influence on the growth of the economy.