

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:1112  
ANSWERED ON:30.11.2005  
GROWTH OF INDIAN ECONOMY  
Sethi Shri Arjun Charan

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

- (a) whether the growth of Indian Economy projected for the year 2005 is more than 7 per cent as per the findings of International Monetary Fund;
- (b) if so, the details thereof;
- (c) the assessment of the Union Government in this regard during the current year; and
- (d) the action taken/proposed to be taken to accelerate reforms and develop infrastructure to achieve greater growth in the coming years?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) & (b): Yes, Sir. As per the World Economic Outlook brought out by the International Monetary Fund, the Indian economy is expected to achieve a real growth rate of 7.1 per cent in the year 2005.

(c): As per the Mid-Term Appraisal to the Tenth Five Year Plan, the real rate of growth (in terms of GDP at market prices) of the Indian economy during the year 2005-06 is expected to be 7.6 per cent.

(d): The Mid-Term Appraisal to the Tenth Plan has suggested a number of measures to raise the growth rate of the economy in the coming years. Some of these include raising public investment in different sectors particularly in agriculture, infrastructure, viz. power, roads, greater focus on health and education, improving allocative efficiency of resources, enacting policy reforms with a view to creating an investor friendly environment, improving governance and enhancing the efficiency of delivery systems, etc. The details of the measures suggested are listed in the Mid-Term Appraisal of the Tenth Five Year Plan (2002-2007), which has been placed in the Parliament library. For the development of infrastructure, a Committee on Infrastructure has been set up under the Chairmanship of Prime Minister. Similarly 'Bharat Nirman' has been conceived as a plan to be implemented over a period of four years, for building infrastructure, especially in rural areas. It will have six components, namely, irrigation, roads, water supply, housing, rural electrification and rural telecom connectivity.