

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2059

ANSWERED ON:06.12.2005

WORLD BANK REPORT

Chinta Mohan Dr. ;Scindia Shri Jyotiraditya Madhavrao;Suman Shri Ramji Lal

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the World Bank has given any report on the economic development of India;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Government proposes to simplify the business procedure in the country;
- (d) if so, the steps taken by the Government in this regard;
- (e) whether the World Bank has desired to assist Indian Industry to boost the economic growth; and
- (f) if so, the details thereof and the industrial centers likely to be covered under this investment, state-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

(a) to (d): The significant economic reports on India released by the World Bank are "Country Strategy for India (FY05-08)"; "India Sustaining Reform, Reducing Poverty"; "India and the Knowledge Economy"; and "India Investment Climate Assessment 2004".

"Country Strategy for India" Report is built around the 10th Five Year Plan (2002-07). The strategy principles underpinning the World Bank Group's work are: Focus on outcomes; selectively; and knowledge partnership. The programme priorities are improving government effectiveness; investing in people, empowering communities; and promoting private sector - led growth.

The Second Report deals with India's development policy challenges namely, improving the management of public resources by reducing budget deficits, reallocating spending to more productive investments, enhancing the quality of services delivery, and improving the investment climate and raising productivity in industry, services, agriculture and rural development.

The "Knowledge Economy" report provides an assessment of India's readiness to embrace the knowledge economy and highlights some of the key constraints and emerging possibilities confronting India.

"India Investment Climate Assessment 2004" Report analyses the various factors which influence the investment climate. This report utilizes the firm level data from the joint World Bank Confederation of Indian Industry Investment Climate Survey of Indian manufacturing companies conducted in 2000 and 2003 in comparing the investment climate variations over the three years. The Report has brought out the need of improving the physical infrastructure and pursuing regulatory reforms for improving the investment climate. All the said Reports are available in the World Bank's website (www.worldbank.org.in).

The Government is committed to simplify the procedures for doing business. Procedural simplification and removal of bottlenecks is an on-going process. The procedures for export - import business have been drastically simplified. Rationalization and reduction in duty rates of customs and central excise has been carried forward, and State level Value Added Tax (VAT) launched from 1st April, 2005. National Committee on Infrastructure has been set up and a new National Electricity Policy has been announced.

(e) & (f): No such proposal.