

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

UNSTARRED QUESTION NO:4917  
ANSWERED ON:20.12.2002  
INDIA'S RANK IN THE WORLD  
RAMDAS ATHAWALE

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

- (a) Whether the International Institute of Management Development, Switzerland rankings for the year 2002, of the most competitive economies of the world reveals that India has slipped to 42nd from 38th in 1998;
- (b) if so, the main reasons put forward by them in the report;
- (c) whether the Government efficiency, which reflects the extent to which Government policies are conducive to competitiveness, is also taken into consideration;
- (d) if so, whether the Government has examined the report; and
- (e) if so, the steps being considered in this regard?

**Answer**

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

- (a) According to the World Competitiveness Yearbook (2002) of the International Institute for Management Development Switzerland, India has been ranked 42. India was ranked at 41 and 38 in the years 2001 and 1998 respectively. However, it was ranked 42 in 1999 also.
- (b) India's rank in the current year (2002) has reduced by one place compared to the previous year (2001) because of lower scores attained by the country in the competitiveness criteria of infrastructure, business efficiency and government efficiency. However, India's performance has improved considerably in the criterion of economic performance.
- (c) Government efficiency was one of the criteria for assessing competitiveness, apart from economic performance, business efficiency and infrastructure. The criterion of government efficiency includes public finance, fiscal policy, institutional framework, business legislation and education.
- (d) & (e) Various assessments of the Indian economy undertaken by different organizations and institutions are taken into consideration while framing policies. Several measures have already been initiated for enhancing fiscal consolidation, which include rationalisation of the tax system, tax administration and government expenditure. Efforts are on to streamline the institutional framework and simplify procedures. Budgetary outlays have been progressively enhanced in the social sector for accelerating human resource development in the country.