

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:875  
ANSWERED ON:25.07.2003  
GDP GROWTH  
NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

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

- (a) whether the Governor of Reserve Bank of India has attributed the low annual growth rate of Gross Domestic Production due to inefficiency prevailing in the financial matters;
- (b) if so, the reaction of the government thereto;
- (c) whether the Government have formulated any special programme to increase efficiency in the financial matters; and
- (d) if so, the details thereof and the time by which it is likely to be introduced?

**Answer**

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

(a): The Governor, Reserve Bank of India in his inaugural address at the twenty-fourth Bank Economists' Conference on December 28, 2002 had emphasised the need for greater productivity and efficiency to achieve the target of 8 per cent growth in the Tenth Plan period and making the banking system strong, efficient and on par with international banks.

(b), (c) and (d): The Government is conscious of the need for improving efficiency and productivity in the economy and has been taking initiatives from time to time in this direction. One of the five priorities addressed in the Budget for 2003-04 relates to fiscal consolidation through tax reforms and progressive elimination of budgetary drags.