

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2790  
ANSWERED ON:07.02.2014  
GROWTH FORECAST  
Rane Dr. Nilesh Narayan

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

- (a) the details of growth forecast of the country made by the Government vis-à-vis the international agencies like International Monetary Fund (IMF) etc. for the current year and beyond along with reasons for variation, if any;
- (b) whether the Government has chalked out any strategy to make the country's Gross Domestic Product (GDP) number one in the world and if so, the details thereof; and
- (c) the manner in which the Government proposes to manage and further boost the growth rate of such a huge economy in future?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) As per the Economic Survey 2012-13, published in February 2013, the Indian economy was expected to register a growth in the range of 6.1 per cent to 6.7 per cent during 2013-14. In the World Economic Outlook published by the International Monetary Fund (IMF) in July 2013, the growth rate of Indian economy was projected to be 5.6 per cent in 2013-14 and 6.3 per cent in 2014-15. The "Global Economic Prospects" published by World Bank in June 2013, projected India's growth at 5.7 per cent for 2013-14 and 6.5 per cent for 2014-15. Projections of different agencies vary because of differences in methodology and assumptions made.

(b) & (c): According to IMF, India's Real Gross Domestic Product was US\$ 1842 billion in 2012 vis-à-vis US\$ 16245 billion of the United States, which is currently the number in the World in this respect. For catching up with the United States, India will have to grow at a much faster rate than the United States. The Government of India has taken several steps to increase the rate of growth in the economy that, inter alia, include: measures to speed up implementation of projects through the Cabinet Committee on Investment; boost to infrastructure financing by encouraging Infrastructure Debt Funds and enhancement of credit to infrastructure companies; provision of greater support to micro, small and medium enterprises; and, strengthening of financial and banking sectors. Besides, other initiatives by the Government include: liberalisation of FDI norms in several sectors including telecom; deregulation of the sugar sector; decision to launch inflation indexed bonds to incentivize households to save in financial instruments; steps to boost manufacturing growth; fiscal consolidation through reforms of administered prices; new gas pricing guidelines; and, measures to control the current account deficit.