

Clean Chit given by IMF for Pro-reform Credentials

985. SHRI NANA DESHMUKH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that IMF chief has given a clean chit to Government for its pro-reforms credentials and commitment and declared that 8—10 per cent annual economic growth is within India's reach;

(b) whether as per him the fiscal situation in India today is not sustainable and India has been one of the ten fastest growing economies in the world in the last 20 years;

(c) if so, whether Government have resolved to take had and tough decisions to meet both the ends; and

(d) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Managing Director, International Monetary Fund, during his visit to India on June 5-6, 2000 acknowledged that India has been one of the 10 fastest growing economies in the world over past two decades and that "there should be no complacency". India's most important short-term objective, he said, should be fiscal consolidation. He term India's objective of achieving and economic growth rate of 8-10 percent as "ambitious but valid".

(c) and (d) The trends in the economy are closely monitored and are under constant review and appropriate decision are taken in the light of emerging trends as and when necessary.