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INDIA TOO EMBARKS ON VISION 2020

NEW DELHI, Dec 26 (Bernama) --India, which announced during the visit of Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad that it too has a Vision 2020, has set for itself the ambitious goal of 7.0 percent growth in gross domestic product its Ninth Plan period due to begin next year as against 5.9 percent in the Eighth Plan.

This goal is contained in the Approach Paper to the Plan, which was approved by the Indian cabinet earlier this week.

The paper envisages an annual domestic savings rate of 26.2 percent of GDP as against 23.7 percent in the Eighth Plan.

The Approach Paper sets out the development strategy, which includes raising the upper limit of automatic approval for foreign investment up to 74 percent as against 51 percent limited to 35 industries at present.

It also permits foreign investment in the coal sector, which together with sugar is to be deregulated.

Automatic approval up to 74 percent would be available even for mining services, basic metal and alloy industry, electric generation and transmission, surface transport, navigation and storage and warehousing services, according to reports in India media.

The document also presses for further liberalisation in industrial policy. It envisages an export rate of 14.5 percent as against 11.4 percent in the Eighth Plan and an import growth of 15.3 percent (13.6 percent previously). -- BERNAMA

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