

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA  
STARRED QUESTION NO. 236  
ANSWERED ON MONDAY, THE 10<sup>th</sup> DECEMBER, 2012**

**INDIA'S RANK IN GLOBAL COMPETITIVE INDEX**

**QUESTION**

\* 236. DR. YOGENDRA P. TRIVEDI:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether India's rank in the Global Competitive Index has fallen to 59<sup>th</sup> position;  
and
- (b) if so, the details thereof and the reasons therefor?

**ANSWER**

THE MINISTER OF STATE  
(INDEPENDENT CHARGE)  
IN THE MINISTRY OF CORPORATE AFFAIRS

(SHRI SACHIN PILOT)

- (a) and (b): A Statement is laid on the Table of the House.

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**Statement referred to in Answer to the Rajya Sabha Starred Question No. 236 for 10. 12. 2012 on India's Rank in Global Competitive Index**

(a) & (b): As per the latest Global Competitiveness Report 2012-13, brought out by World Economic Forum, a Swiss non-profit foundation based in Geneva, India ranks 59<sup>th</sup> amongst 144 economies in the Global Competitiveness Index for 2012-13, as against 56<sup>th</sup> position out of 142 economies covered in 2011-12.

The Global Competitiveness Index (GCI) measures the competitive performance of the economies around the world for doing business. It is a composite index that combines three component indices covering 12 different parameters (termed 'pillars'). The details of the three components along with the weights assigned to them and the pillars are presented in table below.

Components	Weights for India	Pillars
<b>Basic requirements</b>	<b>(60%)</b>	• Institutions
		• Infrastructure
		• Macroeconomic environment
		• Health and primary education
<b>Efficiency enhancers</b>	<b>(35%)</b>	• Higher education and training
		• Goods market efficiency
		• Labour market efficiency
		• Financial market development
		• Technological readiness
		• Market size
<b>Innovation and sophistication factors</b>	<b>(5%)</b>	• Business sophistication
		• Innovation

*Note: Assigned weights vary from country to country on the basis of their stages of development.*

Computation of GCI for the year 2012-13 is based on 113 indicators. As the indicators vary from year to year a comparison from previous years is not feasible. However, India's performance with a GCI score of 4.32 (on a scale of 1-7) in the year 2012-13 is an improvement over last year score of 4.30. This country has also improved its performance in respect of each individual component of the index.

In the meanwhile, the Ministry has constituted a Committee for Reforming the Regulatory Environment for Doing Business in India under the chairmanship of Shri M. Damodaran with the objective of making an in-depth study into the entire gamut of regulatory framework and come out with a detailed road-map for improving the business climate in the country that would help improve India's competitiveness.

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