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## Macroeconomic indicators - FM goes with PM panel forecast on GDP growth

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Mr Pranab Mukherjee finance minister of India on Tuesday said he would rather go with the economic growth projection of the Prime Minister's economic panel saying the 6% forecast by RBI was way too conservative.

Mr Mukherjee said that "The RBI always makes very hard and conservative assessment... The GDP growth I am inclined to accept the figure of Prime Minister's Economic Advisory Council headed by Dr C Rangarajan that means from 6.5% to 6.75%."

In its monetary policy review, the central bank retained its earlier forecast of six per cent growth for FY'10. Asked whether stimulus measures will continue, he said that "As I mentioned that until the economy is on a firm recovery path it will continue."

The Finance Minister said figures for second quarter economic growth are yet to come, but the industry has started picking up. The Indian economy grew by 6.1% in the first quarter.

On inflation, Mr Mukherjee said the government has taken steps to ensure that the adverse impact of inflationary pressures is reduced by strengthening supply management.

(Sourced from Business Line)

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