

FM Confident of Strong Growth in H2 of Current Fiscal; Manufacturing a US\$ 170 Bn. Investment Opportunity

NEW DELHI, December 4, 2009. The Finance Minister, Mr. Pranab Mukherjee, today expressed confidence that economic growth during the second half of the current fiscal would be strong, given the 7.9% growth registered in the second quarter despite a weak monsoon.

In a Special Address at the ICC Regional CEO Forum here today, Mr. Mukherjee said, the recent financial crisis that gripped the world affected India, the growth rate in the first quarter of the current fiscal dipping to 6.1%. But the economy was able to weather the crisis and return a 7.9% growth in the second quarter. This shows the strength of the stimulus measures introduced by the government and the inherent soundness of India's economic fundamentals, he said.

India, he said, was now seen as one of the most favored investment destinations. This was because time and again, the country has demonstrated that economic reforms were irreversible.

Mr. Mukherjee said, the manufacturing sector in India would emerge as a US\$ 170 billion opportunity for investors over the next five years. The challenge now was to take the economy on to a higher growth trajectory of 9% for which the economic and business environment was totally conducive, he said.