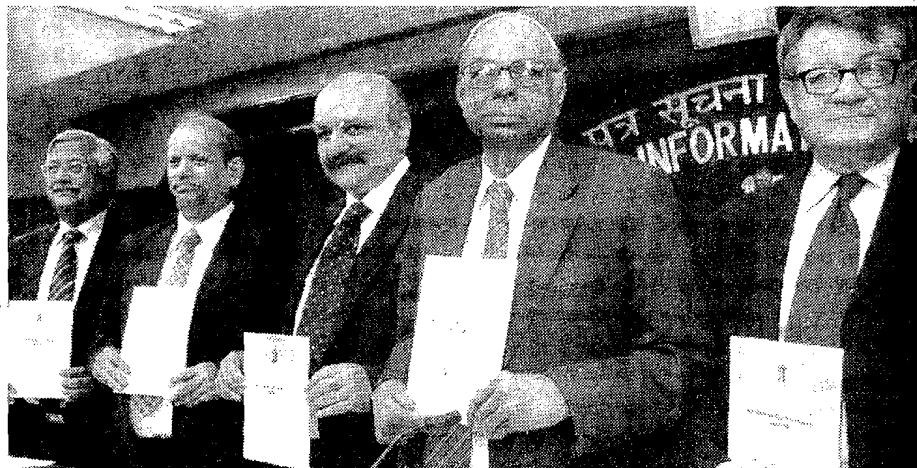


PM PANEL PEGS GROWTH AT OVER 8% IN 2010-11

Pitches for raising duties as part of sops rollback



(Left to right) Prime Minister's Economic Advisory Council Secretary Jayant Dasgupta, members M Govinda Rao, Saumitra Chaudhuri, chairman C Rangarajan and member Suman K Bery at the press conference to release the 'Review of the Economy 2009-10', in New Delhi on Friday.

PHOTO: SANJAY K SHARMA

BS REPORTER

New Delhi, 19 February

The Prime Minister's Economic Advisory Council (PMEAC) today pegged growth in the next financial year (2010-11) at 8.2 per cent, as the agriculture sector is expected to turn around next year. It also predicted the country would return to 9 per cent growth in 2011-12.

Along with these, the panel pitched for raising duties in the coming Union Budget, as part of the rollback of stimulus measures. For 2009-10, it stuck to the Central Statistical Organisation's advanced growth estimate of 7.2 per cent though added an upward bias to it. "The council expects a bounce-back in agricultural gross domestic product in the next year and maintenance of the desired trend growth of 4 per cent in 2011-12," PMEAC Chairman C Rangarajan said.

The PM's panel also expected the industrial and services sectors to continue to expand strongly through the next two years. "On this basis, we are making an initial estimate that the econ-

Clear policy on GM crops needed, says PMEAC

BS REPORTER

New Delhi, 19 February

The Prime Minister's Economic Advisory Council today asked the government to chalk out a clear policy on genetically-modified (GM) crops. The suggestions follow the controversy over commercial introduction of Bt brinjal for the past few months.

The PMEAC economic review said the regulatory framework should clearly assess performance of GM crops

in the field, keeping in mind environmental and food safety issues.

"After the success of Bt cotton and the benefits it has brought to farmers in Gujarat and Maharashtra, it is imperative that the government must have a clear policy in GM crops," the report stated.

The council suggested the results of studies to gauge the affects of introduction of such crops should be made available in the public domain at the shortest possible time.

omy would grow by 8.2 percent in 2010-11 and by 9 per cent in 2011-12," said Rangarajan.

Fiscal correction

On the issue of exit from the government's stimulus measures, panel member M Govinda Rao said taking the excise duty to 10-12 per cent level was something that could be done though tak-

ing it back to the original level would be difficult.

High prices

"The danger of food prices spreading to other commodities certainly exists, especially in the backdrop of the strong recovery that the Indian economy has been making since the summer of 2009," the council said.