

Growth story intact: FinMin tells Moody's

While admitting to challenges ahead, the finance ministry on Tuesday tried to pitch India's growth story as credible in a meeting with global rating agency Moody's.

"It is not as if the picture is fully rosy. All we have said is that we know there are problems but we have to take actions in a particular manner and the government is fully committed to take action so that the problems that we are seeing today are fully addressed," said Arvind Mayaram, secretary, department of economic affairs after the meeting.

While the finance ministry tried to project an improvement in inflation and the fiscal situation, representatives from Moody's are understood to have raised questions on the steps taken to check subsidy outgo and impact of the proposed right to food bill on the exchequer.

Mayaram said, "We raised the same points but with additional numbers (on inflation and fiscal deficit). The numbers have improved since the last time we had met Moody's. So that's a good sign."

Moody's had last week said that India's sovereign outlook is stable and does not warrant any action in the next 12-18 months. Its current sovereign rating is 'investment grade' with a stable outlook.

(Financial Express)