

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**NEED FOR APPROPRIATE POLICY INSTRUMENTS TO ADDRESS
AREAS OF CONCERN IN THE ECONOMY: FM**

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The Union Finance Minister Shri Pranab Mukherjee has said that on account of the global impact, the Indian economy was facing areas of concern and to address them appropriate policy instruments were required. The Finance Minister Shri Mukherjee was addressing the First meeting of the Consultative Committee attached to his Ministry here yesterday during the inter session period of Parliament in the year 2012. The subject matter of the meeting was **“Pre-Budget Consultations”**.

The Finance Minister Shri Mukherjee said that the meeting had been convened to seek inputs for addressing the problems which the Indian economy was confronted with. He stated that on account of the global crisis of 2008 and the ongoing Euro zone crisis, there were problems of high inflation and deceleration of GDP. The volatility of international prices particularly fuel posed serious challenges on the inflation front. The Reserve Bank of India had to adjust crucial rates a number of times in order to meet these challenges.

Various members of the Consultative Committee participated in the discussion. Members emphasized that there should be a focus on infrastructure sector, education, power, warehousing facilities and agro-based industries. It was suggested that the Centre should not merely depend on utilization certificates given by the States for Centrally Sponsored Schemes and that proper coordination and monitoring between Centre and States was necessary for their successful implementation. Drip and sprinkle irrigation and production of bio-fuel should be encouraged. The need to rationalize the number of centrally sponsored schemes was emphasized. Members said that in our pursuit for growth, the aspects of financial inclusion should not be ignored and should be given top most priority. It should be ensured that the loopholes in the implementation of MGNREGA scheme are plugged.

Members of Parliament who attended the Meeting include Shri Anto P. Antony, Shri Mukesh B. Gadhvi, Shri Narahari Mahato, Shri S.P.Y. Reddy, Shri Suresh C. Angadi and Shri T.R. Baalu all from Lok Sabha and Shri Debabrata Bandyopadhyay, Dr. E.M. Sudarsana Natchiappan, Shri N.K. Singh, Shri Sabir Ali and Shri Shantaram Naik from Rajya Sabha. Minister of State for Finance, Shri Namo Narain Meena and senior officials of the Ministry of Finance were also present during the meeting.

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