

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

FINANCE MINISTER CONFIDENT THAT OUR ECONOMY IS STRONG ENOUGH TO ADDRESS ANY CONCERN ARISING OUT OF RECENT DEVELOPMENTS IN USA AND EUROZONE; SAYS GOVERNMENT TO FAST TRACK THE IMPLEMENTATION OF PENDING REFORMS; TO FOCUS ON ENCOURAGING GREATER DOMESTIC CONSUMPTION AND GIVE IMPETUS TO DRIVERS OF DOMESTIC GROWTH

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The Union Finance Minister Shri Pranab Mukherjee said that the recent developments in the US and Eurozone have injected certain uncertainty in global markets. The Finance Minister said that these developments could have some impact on our economy as well. But Shri Mukherjee assured that India's growth story is intact and its fundamentals are strong. The Finance Minister Shri Mukherjee said that we are in a better position than many other nations to manage this challenge.

The Union Finance Minister Shri Pranab Mukherjee said that there could be some impact on the capital and trade flows in the country. The Finance Minister reiterated since our economy is having strong fundamentals, therefore, we could notice FIIs seeing India as an attractive investment destination even if there is any temporary outflow. Shri Mukherjee said that in addition, we could rather see faster and greater FII inflows, unlike after 2008, in view of the higher returns that global

investors could get in India. He said that our institutions are strong and are prepared to address any concern that may arise on account of the present situation.

The Union Finance Minister Shri Pranab Mukherjee said that softening of the international commodity prices, especially fuel oil will help check inflationary pressures in the economy. The Finance Minister said that it will also help in maintaining the fiscal balance for the year 2011-12.

The Finance Minister Shri Mukherjee said meanwhile the government will fast track the implementation of pending reforms and keep a close eye on international developments. Shri Mukherjee said that we would also focus on encouraging greater domestic consumption and give impetus to the drivers of domestic growth.

DSM/GN/PM