

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**CENTRE TO PROVIDE ALL POSSIBLE SUPPORT TO NORTH EASTERN
STATES TO TACKLE THEIR INFRASTRUCTURE AND FINANCIAL
PROBLEMS: SAYS FM**

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The Union Finance Minister Shri Pranab Mukherjee said that the Centre is committed to the development of the North Eastern States and would continue to support the State Governments in their development endeavours. The Finance Minister Shri Mukherjee called upon the Chief Ministers of the North Eastern States to participate in making collective efforts with the Centre to address economic and financial challenges. The Finance Minister Shri Pranab Mukherjee was addressing the Chief Ministers of North Eastern States in a special meeting called here today to evolve strategies to accelerate development. The Chief Ministers present in the meeting included Shri Tarun Gogoi, Chief Minister, Assam, Shri O. Ibobi Singh, Chief Minister, Manipur, Shri Pawan Chamling, Chief Minister, Sikkim, Shri Mukul Sangma, Chief Minister, Meghalaya, Shri Nabam Tuki, Chief Minister, Arunachal Pradesh, Shri Lal Thanhawla, Chief Minister, Mizoram and Shri Neiphiu Rio, Chief Minister, Nagaland. The North Eastern State of Tripura was represented by its Finance Minister Shri Badal Choudhary.

Present in the meeting were Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission, Shri B.K. Chaturvedi, Member, Planning Commission, Smt. Sindhushri Khullar, Member Secretary, Planning Commission, Smt. Omita Paul, Advisor to FM, Shri R.S. Gujral, Finance Secretary, Shri Sumit Bose, Secretary, Expenditure alongwith other senior officers of the Centre and State Governments.

Addressing the Chief Ministers, the Union Finance Minister Shri Pranab Mukherjee further said that the Centre is aware of the special issues of the region, including a low base to mobilize resources and a geographical terrain that created challenges for communication and infrastructure development. He said that based on an appreciation of these challenges, the Central Government had accorded special category status to North Eastern States, so as to assist them in their efforts to raise their economies to the level of other States.

Replying to the issues raised by the Chief Ministers of the different North Eastern States, the Finance Minister Shri Mukherjee said that interventions for the second green revolution in Eastern States have shown highly positive results. He said that due to the said green revolution, the production of rice in Eastern States has risen by 7 million tonnes, resulting in overall rice production in the country over 100 million tonnes for the first time. He appreciated the better fiscal

management by most of the North Eastern States, as a result of which most States did not have to resort to overdrafts. The Finance Minister Shri Mukherjee said that he has asked the income tax authorities to issue the notification for income tax exemption on permitted excise duty refunds for industries in the North Eastern States. He said that if any State faced a problem on account of an undersubscribed market loan, the Centre would be ready to raise the loan within the State's permitted borrowing ceiling, and pass it on to the concerned State. He noted that six districts had been identified for UID based pilot projects in the States of Tripura and Sikkim, and asked the other States to identify districts to implement such pilot projects for better targeting of beneficiary oriented schemes. He also assured the Chief Ministers of the North Eastern States that the Centre would provide all possible help to implement infrastructure projects, with a view to speed up development of the region as part of the Look East policy. He also said that States Specific Grants recommended by the Thirteenth Finance Commission, linked to enactment/amendment of the States FRBM Acts, would be released to ensure that the purposes of the grants were fulfilled without interruption. Noting that there had been rich discussion in the meeting, he said that institutionalization of such meetings at regular intervals would help in feedback and course correction.

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