

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**MEETING OF INTER MINISTERIAL GROUP (IMG) DISCUSSES
MACROECONOMIC DEMAND MANAGEMENT WITH FOCUS ON FISCAL AND
MONETARY ISSUES**

**New Delhi, Bhadrapada 11, 1933
September 2, 2011**

The fifth meeting of the Inter-Ministerial Group (IMG) on inflation was held here today under the Chairmanship of Dr Kaushik Basu, Chief Economic Advisor, Ministry of Finance. The IMG was set up at the suggestion of the Prime Minister on 02.02.2011 “to review the inflation situation and suggest corrective measures.”

The IMG has been entrusted with the task of studying and proposing policies pertaining to (a) food article inflation and (b) macro-economic demand management. Today’s meeting, which is the fifth meeting of the IMG, concentrated on macroeconomic demand management with focus on fiscal and monetary policy issues.

Dr Montek Singh Ahluwalia, Deputy Chairman, Planning Commission addressed the members of IMG on macroeconomic demand management. He highlighted the need for reduction in subsidy to address the fiscal issues on a sustained basis.

The meeting was attended by Dr. Kaushik Basu, Chief Economic Adviser and Chairman of the IMG, Ms. Sudha Pillai, Member Secretary, Planning Commission, Shri. R. S Gujral, Finance Secretary, Shri Sumit Bose, Secretary Expenditure, Shri R.Gopalan, Secretary, DEA, Shri. T. C. A. Anant, Chief Statistician and Secretary, MoSPI beside other regular members of the IMG.

DSM/SS