

Government of India
Ministry of Finance
Department of Economic Affairs
FSDC Secretariat

Press Release

**Eleventh Meeting of the Financial Stability and Development Council (FSDC)
held under the Chairmanship of the Union Finance Minister on 7th June, 2014**


The Eleventh Meeting of the Financial Stability and Development Council (FSDC) was held in Mumbai today under the Chairmanship of the Union Minister of Finance, Shri Arun Jaitley. The meeting was attended by Dr. Raghuram G. Rajan, Governor, RBI; Dr. Arvind Mayaram, Finance Secretary; Dr. G.S. Sandhu, Secretary, Department of Financial Services; Shri U.K.Sinha, Chairman, SEBI; Shri T.S. Vijayan, Chairman, IRDA; Shri Ramesh Abhishek, Chairman, FMC; Shri R. V. Verma, Officiating Chairman, PFRDA; and other senior officers of the Government of India and financial sector regulators.

2. Welcoming the Members to the first meeting of FSDC under the new government, Finance Secretary gave an overview of the state of macro-economy. The Council noted that recently there is improvement in vital macroeconomic parameters such as decline in fiscal deficit, reduction in the Current Account Deficit (CAD), increase in forex reserves and relative stability of exchange rate. However, there is a long way to go in terms of reviving economic growth, controlling inflation, keeping deficit under control, addressing infrastructure bottlenecks and finding ways to absorb the growing workforce in a productive and meaningful manner. There is also a need to continue to be in a state of preparedness for managing any external sector vulnerabilities.

3. Hon'ble Finance Minister referred to the high political expectations from the new government and the opportunity now available for resolving long-pending problems facing the economy. He emphasized the need for financial stability and the need for coordinated approach by all the Regulators to achieve this. He cautioned against

slackening the vigil in the area of fiscal consolidation. He also stressed upon the need to improve the business climate and reducing the cost of doing business as important means for revival of the investment cycle.

4. In this meeting, all financial sector regulators presented their suggestions regarding the forthcoming Budget 2014-15, as also their ideas on next generation financial reforms.


(Dr. C. S. Mohapatra)
Adviser (FS)

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Press Information Bureau is requested to give wide publicity to this Press Release.

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