

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**MEETING OF THE CONSULTATIVE COMMITTEE ATTACHED TO THE MINISTRY
OF FINANCE HELD; VARIOUS SUGGESTIONS MADE FOR CONSIDERATION FOR
INCLUSION IN THE FORTH COMING UNION BUDGET**

**New Delhi: Magha 15, 1934
February 4, 2013**

The first meeting of this year of the Consultative Committee attached to the Ministry of Finance was held here today under the Chairmanship of the Union Finance Minister, Shri P. Chidambaram. Making his opening remarks, the Finance Minister said that subject matter of the today's meeting was Pre Budget Consultations and therefore, he invited the members to give their valuable suggestions in this regard.

Participating in the discussion, members present gave various suggestions. Some of the members suggested that the budget should be practical, reasonable and visionary. They said that budget should give incentive for job creation, growth oriented and give recognition to young entrepreneurs and innovators. It should focus on water conservation and urban renewable by tackling both environmental and physical degradation in this area. Some members focused on the incentives for the youth stating that home loans may be provided at cheaper rate of interest for the youth up to the age of 35 years and scope of MGNREGA be expanded to include creation of human assets along with physical assets in the rural areas. Some members suggested to give incentives to small agro based and food processing industries in rural areas to create more employment opportunities for rural people which would help in tackling the problem of migration from rural to urban areas. Rural based infrastructure should also be given priority to achieve the same objective. Certain members suggested for focusing on providing of drinking water facilities, tackling of garbage problem & sewerage related issues and providing basic facilities of health and education in rural areas. For that they suggested that the budget of the Ministries of Rural Development and Human Resource Development may not be reduced. Suggestions were made to enlarge the scope of Pradhan Mantri Gram Sadak Yojana and Rajiv Gandhi Grameen Vidyutikaran Yojana to include small village hamlets rather than covering only revenue villages. Some suggestions were made regarding setting-up of Skill Development Centres at district level to make them easily accessible to the youth. It was also suggested to include fertilizer and seed subsidy under direct benefit transfer scheme at the earliest.

Suggestion was made to focus on middle class in this year budget. Suggestion was also made to broad base the tax network. Suggestion was made to minimize centrally sponsored schemes and focus on quality control and enforcement of those central schemes which are 100% funded by the Central Government. Hijacking of centrally sponsored schemes by the State Governments shall be seriously dealt with. Suggestions for relief from dividend distribution tax to the Indian companies having set-up subsidiary companies outside in foreign countries and want to bring the dividend back to the country. Relief from excise duty on 14 inch color TV sets below the cost of Rs. 2000/- was also sought. It was suggested to include multi-level car parking projects back in the infrastructure sector. Suggestions to reduce service

tax on food items, clarification regarding service tax on storage of food grains and customs duty relief on sports equipments etc. were also made.

Along with the Union Finance Minister, both the Minister of State for Finance Shri S.S. Palanimanickam and Shri Namo Narain Meena, Adviser to the Finance Minister, Shri Parthasarthy Shome, Finance Secretary, Shri R.S. Gujral, Revenue Secretary, Shri Sumit Bose, Secretary, Department of Economic Affairs, Shri Arvind Mayaram, Secretary, Disinvestment, Shri Ravi Mathur, Secretary, Financial Services, Shri Rajiv Trakru, Chairperson CBDT, Dr. Poonam Kishore Saxena and Chairman CBEC, Ms. Parveen Mahajan alongwith other senior officers of Ministry of Finance also attended the said meeting.

Among the Members of the Consultative Committee participated in the meeting included Shri Anto P. Antony, Shri Narahari Mahato, Shri Partap Singh Bajwa, Shri Neeraj Shekhar, Shri Suresh C. Angadi, Shri Vijay Inder Singla and Shri W. Bhausahab Rajaram (all Members of Lok Sabha); Shri Ajay Sancheti, Shri Birender Singh, Shri Rajkumar Dhoot, Prof. S.P. Singh Baghel, Shri Shantaram Naik, Dr. Ashok Sekhar Ganguly, Shri Ishwarlal Jain and Shri Murli S. Deora (all Members of Rajya Sabha).
