

# Budget to unveil more changes to push growth, says Sitharaman

Several more active reform-related steps are being taken up, says finance minister at CII conference

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**NEW DELHI:** Notwithstanding the Covid-19 pandemic, the government has initiated a series of reforms to promote its Aatmanirbhar Bharat Abhiyan, and the momentum of the process will continue, finance minister Nirmala Sitharaman said on Monday, indicating that the coming budget will unveil more structural changes to boost economy.

Outlining the government's policy direction from the perspective of multi-national companies, she said: "If you were to look at the Indian economy, and where the emphasis would be in the coming budget, I would start with the fact that the Prime Minister himself has been engaging with the global investor community and talking to them [about] what exactly he looks at for India, how does he view India in this changing environment."

The finance minister was addressing the National MNC Conference organised virtually by the Confederation of Indian Industry (CII).

Referring to the recent Virtual Global Investor Roundtable (VGIR-20) where Prime Minister Narendra Modi heard delegates speak about the policy expectations of investors, she said the government had initiated several



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reforms that are attractive for MNCs, such as a significant corporate tax cut in September 2019. Modi had invited 20 major global investors on November 5 to become part of a "New India" that aims to become self-reliant, calling it a "well-planned economic strategy" to make the country a global manufacturing powerhouse.

"Today, India is changing and for the better. From fiscal irresponsibility to fiscal prudence, from high inflation to low inflation, from reckless lending creating non-performing assets [NPAs] to merit-based lending,

from infrastructure deficit to surplus, from mismanaged urban growth to holistic and balanced growth and from physical to digital infrastructure," the Prime Minister said.

Addressing Indian and MNC executives, Sitharaman said the government's vision was to forge greater engagement with global economies and become a valuable part of the international supply chain. She assured them that the pace of economic reforms would continue to make India a hot spot of global investment.

The reforms announced by the government under the Aat-

manirbhar Bharat package have opened up many sectors including niche ones such as nuclear energy and space technology to foreign investors, she said.

She said Aatmanirbhar Bharat did not mean insulating India from the rest of the world. It aims to make India an integral part of the global value chain by improving its domestic competitiveness, she added.

"Even at the time of the Covid pandemic, the Prime Minister has not lost an opportunity to take deep reforms, to undertake those kinds of reforms which have not seen the light of the day

over the decades," finance minister Sitharaman said.

"The momentum of reform shall continue. Several more active reform-related steps are being taken up," she said, adding that the Narendra Modi government has turned the Covid-19 crisis into an opportunity to make major reforms that had been pending for decades.

The measures include professionalisation of the financial sector and a thrust on disinvestments, she said. "All enterprises, MNCs and India Inc., big, medium and small enterprises, are facing a reset exercise in doing business. We will have to make sure that policies are right to make India an attractive investment destination," she added.

Soumitra Bhattacharya, managing director of Bosch Ltd, said recent landmark reforms in corporate taxation, foreign direct investment (FDI) policies, simplification of agricultural laws and the introduction of a production-linked incentive scheme are some of the major reforms introduced by the government, which will add up to making an Aatmanirbhar Bharat.

Bhattacharya, who is also chairman of the CII National Committee on MNCs, acknowledged the rapid pace of reforms undertaken by the Modi government. "The reforms must continue given the tectonic shifts in global supply chains in a post-Covid world, which are attracting many foreign firms to shift their base to India. This opportunity must be seized fully," he said.