

# Emerging economies must step up to fix global challenges: FM

'ADB looks to raise more funds via ₹ denominated bonds'

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With many of the developed Western economies looking at a 'long-drawn recession', it is imperative for emerging economies to become growth engines of the world and help in resolving various global challenges, Finance Minister Nirmala Sitharaman said on Tuesday. She was speaking with the members of Indian diaspora in Seoul on the sidelines of the meeting of the Asian Development Bank (ADB).

"Large economies are looking at a long-drawn recession, central banks have no other tools to handle inflation but raise interests to battle inflation... In such a situation, how can economies, particularly emerging market economies, who are all showing good signs of growth...is it possible for us to sustain that growth, is it possible for us to give greater ener-



gy to that growth momentum so that emerging markets can literally be the engines of growth and help the global crisis be solved," Sitharaman said.

The FM said G20 presidency has come at a crucial stage to the emerging economies, stressing that three years are critical for the global economy.

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THE THREE YEARS (G20 TROIKA OF INDONESIA, INDIA, AND BRAZIL) ARE GOING TO BE IMPORTANT FOR THE GLOBAL ECONOMY TO RESET ITSELF AND READJUST TO THE GLOBAL REALITIES

NIRMALA SITHARAMAN  
FINANCE MINISTER

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She said India is being noticed not just because it is the fastest-growing large economy, but also because of the way in which it has handled the pandemic and economic revival.

ADB is looking at the possibility of raising fresh rupee denominated bond to avoid foreign exchange risk.

'Indian banks immune to crisis in West'

The Centre is closely monitoring the "deepening" banking crisis in the United States and Europe, but believes India will not be affected as oversight and regulation have been strengthened at home following the non-performing assets crisis last decade.

"We have gone through our own crisis, paid the price, so to speak. Systems have been put in place by the RBI and the government which ensure that Indian banks don't end up facing a liquidity crunch like the Western banks," a top official said. A second official said the financial sector's health improved consistently since March 2018.

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