

Right Time for India Inc to Invest in Growth Story: FM

Says tax cuts, PLI scheme introduced to encourage investments in manufacturing

Our Bureau

New Delhi: Finance minister Nirmala Sitharaman on Tuesday asked India Inc to shed its hesitation and start investing in the country that was seeing a growing interest from foreign investors.

"This is the time for India... We cannot miss the bus," she said.

She said the government had brought in the production linked incentive scheme and cut tax rates to encourage the domestic industry to invest in manufacturing.

"I would equally want to know from the Indian industry why they are hesitant (to invest)... We will do everything to get the industry to come and invest here..(but) I want to hear from India Inc what's stopping you?" she said at the Hero Mindmine Summit. She said countries and industries abroad think India is the place to be now which was reflected in foreign direct investment and foreign portfolio investment inflows and confidence in stock market investors.

PLI schemes were showing promise and many foreign companies and investors were looking to come and be part of the country's growth story.

"I'm hearing a lot more companies who are moving out of China wanting to come (to India) because they find the policies a lot more attractive not just the PLI but overall the ecosystem is now far more facilitative of such companies coming out to locate themselves in India," Sitharaman said.

Drawing a parallel between India Inc and mythological character Hanuman, Sitharaman said the government is willing to engage with the industry and take policy action. "Is it like Hanuman? You don't believe in your own capacity, in your own



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strength Who is that person going to be to tell Hanuman? It can't certainly be the government," Sitharaman added

TRADE IN RUPEE

She said many countries have evinced interest for bilateral trade in the rupee after the RBI announced a mechanism recently.

The minister said along with other steps taken by the government were towards full capital account convertibility.

"It isn't the rouble-rupee which was in the old format. Now this (bilateral rupee trade) formulation, which I am glad the RBI has come up at a time which was so critical," she said, when asked if India is ready for capital account convertibility.

She said in a way it is opening the Indian economy more than what can be imagined.

"Post-pandemic, India is coming up with so many out-of-the-box solutions...I would like to highlight the fact that we are a lot more open with the Indian economy, a lot more open in the way we are talking to countries, we are willing to have our digi-

tal platform become interoperable between countries to enable cross-border transactions," she said.

It is to be noted that the RBI in July issued a detailed circular asking banks to put in place additional arrangements for export and import transactions in the rupee in view of increasing interest of the global trading community in the domestic currency.

MSME DUES

Sitharaman asked the big corporates to be more proactive about clearing dues of Micro, Small and Medium Scale Enterprises (MSMEs). She said it has come to her attention that the majority of the dues owed to MSMEs are from big corporates. "I can push PSUs, I can request states, I can make sure departments pay up. I can only appeal to the industry for all the tears that we shed for the MSMEs my tears your tears, can we limit the time by which the MSME will get it (dues).. is it good enough that you're putting it in your annual statement every year? But where are you marking the time to get them."