

Exporters need to be receptive towards impact of recession: FM

Focusing on public expenditure to propel growth: Sitharaman

NIKESH SINGH & SHIVA RAJORA

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The global slowdown and a possible recession in the West could be a challenge for India's trade, said finance minister Nirmala Sitharaman on Wednesday. She urged exporters to actively engage with the Centre to insulate themselves from any negative impacts. The FM was speaking at multiple post-Budget interactions with various industry bodies. She added that the long-pending reforms of including petroleum products under the goods and services tax (GST) could take place once there is consensus among states.

"Indian exporters have to be far more receptive of what is happening there (globally) or even foresee how it will pan out for them. They must keep constantly engaging with the government. Otherwise, at a time when our exporters are really readying themselves to be on their toes, such challenges can demotivate them," she said.

The FM was speaking at an event of the Associated Chambers of Commerce and Industry of India (ASSOCHAM).

Sitharaman also said that a number of micro, small, and medium enterprises (MSMEs) still depend on critical components that have to be sourced from other nations.

The finance minister added that the government is also keeping an eye on the surge in imports. Speaking at another session of the PHD Chamber of Commerce and Industry (PHDCCI), she said that petroleum products can be included in GST, if states agree.

"The provision is already available for petroleum products to be brought under the GST. My predecessor (Arun Jaitley) had already kept the window open. Once the states agree, we will have the petroleum products also covered under the GST," the finance minister said.

Sitharaman said that the government's focus is to ensure that the public expenditure continues to grow as it will have a desired multiplier effect on all the sectors. "For the last 3-4 years, there has been a consistent emphasis on public capital expenditure. This year's Budget has seen a 30 per cent increase in capital expenditure. This is the first time in many years that the capital expenditure has reached double digits, making it the clear focus of this Budget," finance minister said.



THE PROVISION IS ALREADY AVAILABLE FOR PETROLEUM PRODUCTS TO BE BROUGHT UNDER GST... ONCE STATES AGREE, WE WILL HAVE PETROLEUM PRODUCTS ALSO COVERED UNDER GST

NIRMALA SITHARAMAN
FINANCE MINISTER

