

PM Modi promises more reforms; hopes to rollout GST next year

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Singapore: Promising more reforms to make India more attractive for foreign investments, Prime Minister Narendra Modi today assured investors that he would "carefully hold" their hands and expressed hope that the GST regime would be rolled out in 2016.

Speaking at the India Singapore Economic Convention here, Modi said India is exploring a potential partnership with Singapore's Changi Airport for developments of two Indian airports and invited companies here to join in building smart cities.

"In the last 18 months, the run-ways for the take-off of the economy have been made. Reforms are happening in a big way. They are now reaching to the last mile. Reform is to transform the system so that they perform. They aim at helping people realise their dreams.

"It means more charm on the faces and less forms in the offices. Efforts to deepen financial markets have been made," Modi said.

The Prime Minister said his government began to liberalise FDI laws soon after coming to power last year and the latest round of FDI reforms have made India the "most open economy" in the world.

"We are also conscious of last mile operational issues in such matters and we are fine tuning the norms. Recently, we further eased FDI norms, after which India is the most open economy in terms of FDI," he added.

While talking about 40 per cent increase in FDI and improvement in rankings like ease of doing business and world competitiveness index, Modi said, "Perceptions are turning into positive outcomes".

"We are hopeful to roll out GST regime in 2016. The company law tribunal is being set up. FDI inflows have gone up by 40 per cent compared with previous year's comparative period. Perceptions are turning into positive outcomes. FDI commitments are translating into reality," he noted.

Modi also outlined 14 decisive steps taken to address regulatory and taxation concerns and said that India offers tremendous opportunities for investments, ranging from affordable housing to smart cities, railways to renewable energy.

"I am here to invite you to India in a bigger way. I have also come to assure you that I am there to carefully hold your hands," Modi said.

"Our commitment to mitigate the dangers of climate change arise from the belief that nature is our mother. We will do more than required," he added.

About his two-day visit, Modi said, "My visit has been very positive and productive and I had excellent meetings with Singapore leaders. We have concluded a strategic partnership which takes the relationship to a new level."

"We have set high level of ambitions for this relationship. Our historic ties and cultural proximity are our assets," he said, while referring to a large Indian diaspora present here.

The Prime Minister said economic partnership has been the key driver of the India-Singapore relationship.

Noting that Singapore is India's tenth largest trade partner globally and second largest in ASEAN, Modi said the bilateral trade has risen manifold.

"Singapore has emerged as the second largest source of FDI into India. The outward Indian FDI into Singapore has also risen in the recent times. Singapore is one of the top destinations for Indian investments. A significantly large number of companies are registered in Singapore," he noted.

Modi also referred to the partnership in development of Amaravathi, the new capital of Andhra Pradesh, and the new container terminal at Jawaharlal Nehru Port.

"I expect even more exciting partnership. India has a scope for expansion. You are fond of going vertical, India's growth prospects are both vertical and horizontal. India and Singapore can work together in many promising areas," he said.

"We are also exploring potential partnership with Changi Airport of Singapore for two airport terminals in India.

"I am fully aware of the importance and role Singapore has played in Act East policy. I am looking to working with Singapore in a much bigger way," he said.

Modi also said that Singapore could join in launch of rupee bonds in foreign countries.

Referring to IMF chief Chrtistine Lagarde's statement that India was a bright spot in the global economy, Modi said he was here to personally deliver this message.

Emphasising that money must reach the marginalised, Modi said with this objective, 190 million new bank accounts have been opened.

"Through them, we are trying to ensure direct transfer of benefits to the poor. This targeting is also bringing discipline in government expenditure. We have also launched new insurance and pension schemes," he said.

Listing out various measures taken by his government, the Prime Minister said small traders and businessmen are provided funds through MUDRA bank.

"We have set time bound goals for providing access to housing, water, electricity and sanitation for all. Thus, India is now the next frontier of economic revolution. Our changing paradigm has created new opportunities for global investor community," he noted.

The Prime Minister said opportunities in India range from building 50 million affordable houses to setting up 100 smart cities, modernisation of railway network and re-development of stations to setting up new railway corridors.

Besides, there are opportunities with respect to generation of 175 GW of renewable energy to transmission and distribution networks as well as in construction of national highways, bridges, and metro rail networks, he added.

"Such a huge potential for creation of infrastructure and production of goods will not be available in any other country. More importantly, no one place on the earth can offer the customer base on such a massive scale," Modi noted.

Noting that there has been a massive growth in the number of start-ups in the recent past, Modi said some of them have begun to challenge established global players.

To tap this energy fully, the government has recently launched the Start up India Campaign.

"We are trying to harness this development potential through our policies and people. The campaigns like Digital India and Skill India are designed to prepare the people to take part in this process," he added.

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