

Reforms a conviction, not compulsion, says PM Modi

TNN / Aug 12, 2021, 07:32 IST



NEW DELHI: Prime Minister Narendra [Modi](#) said on Wednesday that his government was able to undertake difficult reforms because it is acting out of conviction rather than due to compulsion, and would not flinch from taking the biggest risk in the interest of the nation.

Addressing the annual session of the [Confederation of Indian Industry \(CII\)](#), the [PM](#) also said that abolition of retrospective taxation will strengthen the trust between the government and the industry, adding that the government had rectified a mistake of the past.

Increase Risk Appetite: PM To India Inc

Take advantage of growth, which is picking up pace, and increase risk appetite, PM Narendra Modi tells industry

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“We have taken bold decisions. Reforms continued even during pandemic. The government is doing reforms not out of compulsion but out of conviction,” the PM said, while elaborating on the raft of bills approved in the monsoon session of [Parliament](#), which he said will boost the government’s efforts. He also urged industry to take advantage of the growth, which was picking up pace, and increase its risk appetite.

The PM said GST was stuck for so many years only because the previous governments could not muster the courage to take political risks. He said his government implemented GST and now the country was witnessing record GST collection.

The PM said the startups are displaying a new-found self-confidence, highlighting that India now boasts of 60 unicorns (valued at over \$1 billion each) as opposed to, possibly, three to four unicorns six-seven years ago. Out of these 60, over 20 emerged during the last few months. “The unicorns, with their diversity of sectors, indicate changes in India at every level. Investor response has been tremendous for those startups and this signals that India has extraordinary opportunities for growth,” said Modi.

He said that this is the result of the country’s faith in industry that the ‘ease of doing business’ and the ‘ease-of living’ parameters have been improving, citing changes made in the Companies Act as an illustration.

Modi also urged the industry to take advantage of the enhanced trust in India’s development potential and capabilities. Highlighting changes in the approach of the current government, the PM stressed that the new India is ready to march with the new world. “India, which was apprehensive of foreign investment at one point of time, is welcoming investments of all types today. Similarly, tax policies used to induce despondency among the investors, the same India can boast of the world’s most competitive corporate tax and faceless tax system,” the PM said.

He said red-tapism of the past has been replaced by a significant rise in the ‘ease of doing business’ index. Similarly, while the maze of labour laws has been rationalised into four codes, agriculture, which was treated as a mere means of livelihood, is being connected with the markets through reforms. As a result India is getting record [FDI](#) and [FPI](#). [Forex](#) reserves are also at an all-time high level, PM said.

“There was a time when foreign was synonymous with better. Industry bigwigs understand the consequences of such a psychology. Situation was so bad that even indigenous brands developed with great hard work were advertised with foreign names,” said the PM, adding that the atmosphere is changing rapidly. “Today the trust of the countrymen is with the products made in India.”