

India Inc needs to be more risk-taking: Finance Minister Nirmala Sitharaman

Synopsis

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Finance minister **Nirmala Sitharaman** on Wednesday exhorted **India Inc** to start taking risks and begin investing in new capacity, while asserting the need for the country to become self-reliant after the pandemic highlighted the risks of dependence on imports.

She said the festive season demand had been good, though the automobile and mobile phone industry could not benefit from the 'revenge shopping' because of semiconductor and container shortages.

"I appeal to industry not to further delay increasing capacity, not to further delay looking at areas to partner in technology ... At a time when India is looking at healthy growth, I want India Inc to be a lot more risk-taking, build capacity and understand what India is looking for," Sitharaman said, addressing industry leaders at the **CII** Economic Summit in the capital.

She said the income disparity or **import bill** could not be reduced without industry support. "We want the Indian industry to come forward and expand," she said.

Sitharaman said it was also time to understand and take cognisance of the risks that integrating with global value chains had posed, making a case for higher self-reliance. "Can we be so dependent? Is it wise for us to depend on imports," she asked, while pointing out that India had to import protective equipment and testing kits during the initial phase of the Covid pandemic.

The finance minister said the country will need to build manufacturing centres at scale to reduce such import dependency.

She highlighted that the festive season saw an uptrend in demand. She pointed out that auto and mobile phone sales could have been better had there not been a semiconductor or container shortage. "Manufacturers could not capitalise on revenge shopping," she said.

The minister emphasised that it was the new-age industry that would bring demand and change the contours of the economy. "There is a message in 36 startups becoming unicorns ... that the new-age industries will make a big difference to the Indian economy," she said.