

PM Modi holds meeting with PE, VC investors

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NEW DELHI: As preparation for next year's budget gathers steam, Prime Minister Narendra Modi on Friday met with leading private equity/venture capital players to seek suggestions on making India a more attractive investment destination.

The Prime Minister sought suggestions towards improving ease of doing business in India, attracting more capital and furthering the reform process in the country.

"He appreciated the practical suggestions received from the representatives and said the government is committed towards working to resolve the issues and challenges highlighted," an official release said.

During the meeting, Modi discussed the efforts undertaken by the government to bring in more reforms, future potential of initiatives like PM GatiShakti, and steps taken to reduce the unnecessary compliance burden.

He also mentioned the innovation happening in India at the grassroot level and the boost to the startup ecosystem.

Finance minister Nirmala Sitharaman, who also participated in the meeting, is due to present on February 1 the Budget for the next fiscal year that starts on April 1, 2022.

Since coming to power in 2014, the BJP government has unveiled a series of reforms that has helped India climb on the global ease of doing business ranking.

It is now pushing for making India a manufacturing hub. Production-linked incentive schemes for sectors from automobiles to semiconductors and solar have been announced to attract global manufacturers to set up base in the country.

The release further said the venture capital and private equity fund representatives also talked about the entrepreneurial potential of the country, and how it can be leveraged so that India's startups can attain global scale.

After the interaction, Munish Verma from Softbank said the investment climate in the country has become much more positive.

This, he said, could be seen in the amount of capital that has come to India, entrepreneurs that are being created and companies that are listed.

"So, overall I think it was a great interaction with the Prime Minister," he said, adding that Modi gave some very good suggestions.

Sandeep Naik from General Atlantic said such interactions inspire funds to bring more capital to India, and to back up the great startup entrepreneurs of the country.

"...we plan to invest several billions of dollars in India. We already have about \$5 billion invested in India. And I wouldn't be surprised if in the next 10 years we invest about \$10 to 15 billion in India, because this is one of the most critical destinations for us globally," Naik said.

Lauding the initiatives taken to boost the startup ecosystem in the country, Siddarth Pai from 3one4 termed Modi as the 'Startup Prime Minister'.

Accel's Prashant Prakash highlighted the opportunities that are present in the agri startups space, while Rajan Anandan from Sequoia suggested working towards making India the global hub in education by leveraging technology.

Vipul Roongta from HDFC said it was his first personal interaction with the Prime Minister and praised the policy initiatives that have been taken by the government in the housing sector, especially in the affordable housing segment.

The release further said Shantanu Nalavadi from India Resurgent praised the reforms undertaken by the country in the last 7 years, especially the step to set up the Insolvency and Bankruptcy Code (IBC).

Blackstone's Amit Dalmia opined that India is among the best performing geographies for Blackstone funds globally.

"The representatives also discussed the opportunities that are emerging because of India's exemplary climate commitments including the ones in the sphere of energy transitions," the release said.

They also gave inputs about areas like fintech, financial management, and Software as a Service (Saas). They also praised the Prime Minister's vision of making India a USD 5 trillion economy.

Others who were part of the interaction included Gopal Srinivasan from TVS Capitals, Renuka Ramnath from Multiples, Manish Kejriwal from Kedaara Capital, Ashley Menezes from Chrys, Vineet Rai from Aavishkar, and Shweta Jalan from Advent.

Ankur Gupta from Brookfield, Mukul Arora from Elevation, Sehraj Singh from Prosus, Ranjit Shah from Gaja Capital, Sunil Goyal from Yournest and Padmanabh Sinha from NIIF too attended the meeting with the Prime Minister.

Officials of PMO and the finance ministry were also present during the interaction.