

Budget 2022 | India is on course to be the fastest growing economy: Nirmala Sitharaman

While addressing a post-Budget interaction with industry body FICCI, the Finance Minister also assured that India is prepared to deal with any situation arising out of global developments.

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Finance Minister Nirmala Sitharaman

Finance Minister **Nirmala Sitharaman** while addressing a post-**Budget** interaction with industry body FICCI, assured that India's economic recovery is going to place it as the fastest growing economy amongst others.

Sitharaman also assured that India is prepared to deal with any situation arising out of global developments, including the US Federal Reserve's decision to roll back monetary easing, and will not allow the economy to suffer.

She urged corporates to take advantage of the recovery in the economy and step up investments.

"It's time now for us as Team India to rise. We are at such a juncture where the revival of the economy is very clear...this recovery is therefore going to place India as the fastest growing economy among the larger economies and that would continue even in the next fiscal," the minister said.

Post pandemic, the world order has changed and industry leadership should ensure that India doesn't miss the bus this time, she said.

Recalling that India missed an opportunity post the global financial crisis, she said the taper tantrum was not absolutely well addressed and as a result, India missed out on one big opportunity that was available at the time.

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"Now with the RBI and the government working together and very much keenly observing what is going on in the global financial ecosystem...we have also learnt the lessons of the last crisis which the government of India faced in 2012-13 and 2013-14.

"We are fairly watchful of what is happening as regards the global strategic developments, as regards the Fed decision, and as also regards the global inflationary pressures, we are keeping a very close watch, and I can assure the leadership here that we shall not allow the Indian economy to suffer for want of preparations," she said.

She exuded confidence that India would definitely leap forward and reach such sustained growth levels and before 2047 it would stand out as one of those well developed, absolutely endowed countries.

The US Federal Reserve has decided to end its bond purchasing programme in March and increase interest rates thereafter to control high inflation. Emerging economies like India have been beneficiaries of increased liquidity and have attracted huge foreign fund inflows. However, they will face the threat of huge fund outflows as the US Fed will taper off buying of assets.

With regards to this year's Budget that Sitharaman presented in the Parliament on February 1, she said that asset monetization which was introduced in last year's budget shall continue this year as well. The FM apprised that he did not specifically mention it in her budget speech as it is a continuing process.

Sitharaman also believes this year's budget will enable states to undertake more CAPEX. "States normally do have projects in the pipeline, so the capacity for the states to undertake CAPEX will also increase. There is a committee of secretaries and it oversees the close monitoring and execution of the budget announcements in states", she said, as reported by CNBC-TV 18.

Lastly, talking about the much-discussed issue of India's disinvestment target, the FM said that while they are working towards it, there has to be a sense of precaution as well with the whole process. Just like how Neelachal Ispat has found a buyer, LIC's IPO will also come out soon.