

Only Decisive Leadership Will Push Growth: Jaitley

Swift decision-making helped handle IL&FS crisis, says FM

Our Bureau

New Delhi: India needs strong and decisive leadership at the Centre to promote growth, remove poverty and transform the country into a developed nation, finance minister Arun Jaitley said Tuesday.

Barely months to go for next general elections, Jaitley said the country does not need an "unstable coalition" government and individuals who lack understanding of policies at the helm. He was addressing the 98th annual session of Assocham.

"Today, what India needs is not individuals with lack of understanding of policies, lack of understanding of directions or inherently unstable coalition, but a government and leadership with absolute clarity about the direction," Jaitley said.

He said a "strong and decisive leadership at the Centre" is needed to maintain India's high growth trajectory, increase revenue and build better infrastructure.

"India needs a government and leadership which has absolute clarity about the direction so that this unique position which the International Monetary Fund refers to as a sweet spot in the world, this sweet spot we continue to occupy



You need a decisive govt... which has a coherent policy & is absolutely clear in the direction to move... is not dependent on those who would try to pull the govt down

ARUN JAITLEY
Finance Minister

for next two decades. If you are able to do that, we can get rid of the curse of poverty and in our lifetime probably see India as a developed country," he said.

Indian economy grew at 8.2% in the April-June quarter of the current fiscal. It grew at 6.7% in 2017-18 fiscal and is forecast by RBI to expand 7.4% this year.

"You need a decisive government, you need a government which has a coherent policy and is absolutely clear in the direction you have to move, and you need a government which is not

dependent on those who would try to pull the government down by their strategies," Jaitley said in his video conference address.

HANDLING IL&FS CRISIS

Swift decision-making of the government has helped in handling the IL&FS crisis, Jaitley said.

He said a weak leadership at the Centre could not have handled the IL&FS issue the way the present government has. "A crisis in the making was handled with swiftness".

Debt-ridden IL&FS and its group companies have defaulted on loan repayments, following which the government, earlier this month, superseded its board by appointing eminent banker Uday Kotak as its chairman.

Outlining the challenges, Jaitley said global oil prices have risen on account of "artificial shortages" and for India, being a net buyer of oil, any rise in global crude prices adversely impacts the country. "Therefore we have to face that challenge by making our economy so resilient itself that we have the capacity to bear that challenge," he added.

Stating that domestic policies of certain countries have ripple effects on India, he hoped that such effects will not be everlasting and are transient in character.

Only strong leadership can deliver high growth: Jaitley

FM plays economy card, pitches for BJP's 'decisive' return to power in 2019

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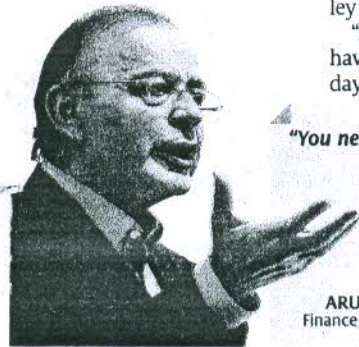
New Delhi, October 16

With an eye on the 2019 general elections, Finance Minister Arun Jaitley on Tuesday stressed the need for a "decisive" and "strong leadership" at the Centre if the country were to continue on its high-growth trajectory and retain in the decades to come its "unique position" in the world as the fastest-growing large economy.

"You need a government that has a coherent policy and is absolutely clear about the direction it is going to move. We need a government that is not dependent on those who try to pull it (government) down with their strategies everyday and bring political challenges in terms of unstable coalitions," he said in his address at

Assocham's 98th Annual session in the capital.

Jaitley, who addressed Assocham members through a video conference, used the platform to drive home the message that India needs leaders at the Centre who could take tough decisions to handle economic challenges.



"You need a government that has a coherent policy and is absolutely clear about the direction it is going to move."

ARUN JAITLEY
Finance Minister

"Today what India needs is not individuals who have lack of understanding of policy, lack of understanding of direction or inherently unstable coalitions," he said.

The country needs to have a leadership that has absolute clarity in the direction it has to move so that India remains in the "unique position", which the International Monetary Fund repeatedly refers to as "sweet spot" in the world, Jaitley said.

"A weak leadership could not have handled the crisis within days, the way the present gov-

ernment did... (That) is just one example of the way this government functions," Jaitley said in an apparent reference to the 'policy paralysis' of the erstwhile UPA regime.

Ease of doing business

Jaitley said that he was quite hopeful that India would continue to move strongly in the direction of improving its position on the World Bank's ease of doing business index.

In the first three years of this government, India's ranking moved up from the 141st to the 100th position.

This year, the ease of doing business index is expected to factor in the Insolvency and Bankruptcy Code (IBC) implementation by India, and this is expected to give an improvement in the overall ranking for the country, Jaitley said.

Jaitley said the ruling dispensation's efforts in cleaning

up the system in the past four years and introducing wide-ranging reforms had helped eliminate "a big stigma" that India faced in 2014.

"IBC itself is an important moment for India in this cleaning up process and added to the whole cleaning up process," he said.

Those who can't run businesses or those who can't service debt must exit and, by a transparent process based on the principle of the survival of the fittest, the best man who pays the best amount must come in, Jaitley added.

"The early harvest as far as IBC is concerned has had a tendency of changing the business ethics in India not merely in relation to defaulting companies. Today, we have a situation where even potential defaulters are paying up... so that they don't cross the red line when the default takes place," he said.

Quick decisions helped handle the crisis: Jaitley

PRESS TRUST OF INDIA
New Delhi, 16 October

India needs a strong and decisive leadership at the Centre to promote growth, get rid of poverty and transform the country into a developed nation, Finance Minister Arun Jaitley said on Tuesday.

The swift decision-making of the Modi government has helped in handling the IL&FS crisis, Jaitley said, while addressing the 98th annual session of Assocham.

"Today, what India needs is not individuals with lack of understanding of policies, lack of understanding of directions or inherently unstable coalition, but a government and leadership with absolute clarity about the direction," Jaitley said. He said the country does not need an "unstable coalition" government and individuals who lack understanding of policies at the helm.

He said a "strong and decisive leadership at the Centre" is needed to maintain India's high growth trajectory, increase revenue. "India needs a government and leadership, which has absolute clarity about the direction so that we could continue to occupy this unique position, which the IMF refers to as a sweet spot in the world, for the next two decades. If you are able to do that, we can get rid of the curse of poverty and probably see India as a developed country in our lifetime," he said. The economy grew at 8.2 per cent in the April-June quarter of the current fiscal. It grew at 6.7 per cent in FY18.

He said a weak leadership



Finance Minister Arun Jaitley said India needed a strong and decisive leadership at the Centre to promote growth

at the Centre could not have handled the IL&FS issue the way the present government did. "A crisis in the making was handled with swiftness," he said.

Jaitley said global oil prices have risen on account of "artificial shortages" and for India, being a net buyer of oil, any rise in global crude prices adversely impacts the country. "We have to face that challenge by making our economy so resilient itself that we have the capacity to bear that challenge."

No nation can benefit from trade decline: Prabhu

No country can benefit from the decline in the world trade, and the slowing global economy is a concern for all nations, including India, Commerce and Industry Minister Suresh Prabhu said on Tuesday. For the past six-seven decades, there was a lot of predictability in doing business globally, but in the course of last few months, "we are seeing a dramatic change in global trade," he said.



LEADERSHIP TALKS

Arun Jaitley, finance minister

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JAITLEYSPEAK

FM cautions against unstable coalitions



Finance minister Arun Jaitley

FE BUREAU

New Delhi, October 16

FINANCE MINISTER Arun Jaitley on Tuesday said India needs a strong and decisive leadership at the Centre to continue on its high growth path and take swift decisions. A weak leadership could not have handled the IL&FS issue the way the present government did, he said.

"A crisis in the making was handled with swiftness," Jaitley said, addressing the 98th annual session of Assocham. He cautioned that India does not need an 'unstable coalition' at the Centre with individuals, who lack understanding of policies, at the helm.

General elections are due in April-May next year.

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FM cautions against unstable coalitions

"India needs a government and leadership which have absolute clarity about the direction so that this unique position which IMF refers to as a sweet spot in the world we continue to occupy for next two decades. If you are able to do that, we can get rid of the curse of poverty and in our lifetime probably see India as a developed country," Jaitley said.

India's economy grew by 6.7% in FY18 and it expanded by 8.2% in the April-June quarter of FY19.

Pointing to headwinds to economic growth, Jaitley said global oil prices have risen on account of "artificial shortages" and being a net buyer of oil, any rise in global crude prices would adversely impact the country. "Therefore we have to face that challenge by making our economy so resilient itself that we have the capacity to bear that challenge," the minister added.

On Monday, Prime Minister Narendra Modi appealed to oil producing countries and global energy giants to review the 'payment terms' with India so that the rupee, which has fallen by nearly 14% in the last one year, gets some support. Although a government statement did not spell out what the payment terms sought by Modi were, sources said he meant greater facility for Indian crude importers to pay their overseas suppliers in rupee rather than dollar.

Rising crude prices could derail the fiscal consolidation

path, lead to a rise in current account deficit as well as inflation, posing problems for the government ahead of several state assembly elections and general election. Jaitley hoped that "such transient effects will not be everlasting."

Listing out several reforms such as Insolvency & Bankruptcy Code, the minister expressed hope that India's rank in ease of doing business, which improved from 140 to 100 in three years of the Modi government, would show substantial improvement in the next edition of the data to be published by the World Bank.

