

COMMENTS

A pragmatic, growth-oriented approach



BABA N KALYANI

Chairman & MD,
Bharat Forge

We had moderate expectations from this Budget and I am happy that these have largely been met. From a macroeconomic perspective, the Budget emphasises the need for fiscal prudence, which clearly is the need of the hour. What is particularly noteworthy is the emphasis on the manufacturing and infrastructure sectors as the key levers to revive economic growth.

This is perhaps one of the few times that the manufacturing sector has received special attention. The government's commitment for early introduction of GST and a new DTC are positive signals. The proposed overhaul of the subsidy regime to make food and fuel subsidies better targeted is also encouraging.

From a policy perspective, the decision to raise FDI in the defence sector from 26 per cent to 49 per cent through the FIPB route with management control in Indian hands will provide a boost to domestic manufacturing industry. The Finance Minister's statement of wanting to reduce reliance on imports coupled with his intent to streamline defence procurement systems is very positive. We are confident the Indian manufacturing industry would now be able to play a more effective role in indigenisation.