

Prime Minister's Office

PM's address at India Ideas Summit 2020

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Namaste!

Business leaders,

Distinguished guests,

I thank the US-India Business Council for inviting me to address the 'India Ideas Summit'. I also congratulate the USIBC on its forty fifth anniversary this year. Over the past decades, the USIBC has brought Indian and American business closer. USIBC's choice of this year's Ideas Summit - 'Building a Better Future' is also very very relevant.

Friends,

We all agree that the world is in need for a better future. And, it is all of us who have to collectively give shape to the future. I firmly believe that our approach to the future must primarily be a more human- centric one. Our growth agenda must place the poor and vulnerable at the core. 'Ease of Living' is as important as 'Ease of Business'.

Friends,

Recent experience has taught us that the global economy has been too focused on efficiency and optimization. Efficiency is a good thing. But, on the way, we forgot to focus on something equally

important. That is resilience against external shocks. It has taken a global pandemic to remind us how important resilience is.

Friends,

Global economic resilience can be achieved by stronger domestic economic capacities. This means improved domestic capacity for manufacturing, restoring the health of the financial system and diversification of international trade.

Friends,

India is contributing towards a prosperous and resilient world through the clarion call of an 'Atmanirbhar Bharat'. And, for that, we await your partnership!

Friends,

Today, there is global optimism towards India. This is because India offers a perfect combination of openness, opportunities and options. Let me elaborate. India celebrates openness in people and in governance. Open minds make open markets. Open markets lead to greater prosperity. These are principles on which both India and the USA agree.

Friends,

During the last six years, we have made many efforts to make our economy more open and reform oriented. Reforms have ensured increased 'Competitiveness', enhanced 'Transparency', expanded 'Digitization', greater 'Innovation' and more 'Policy stability'.

Friends,

India is emerging as a land of opportunities. Let me give you one example of the tech sector. Recently, an interesting report came out in India. It said for the first time ever, there are more rural internet users than even urban internet users. Imagine the scale! There are about half a billion active internet users in India now. Half a billion connected people. Does this sound huge to you? Hold your breath. Because, there are over half a billion more people who are being connected. Opportunities in technology also include opportunities in the frontier technologies of 5G, Big data analytics, Quantum computing, Block-chain and Internet of things.

Friends,

The options to invest in India are extensive. India invites you to invest in the hard-work of our farmers. India has done historic reforms in the agriculture sector recently. There are investment opportunities in: Agricultural inputs and machinery, Agriculture supply chain management, Ready-to-eat items, Fisheries and Organic produce. India's food processing sector is expected to be worth over half a trillion dollars by 2025. To grow more streams of revenue, the best time to tap investment opportunities in Indian agriculture sector is now!

India invites you to invest in healthcare. The Healthcare sector in India is growing faster than 22 percent every year. Our companies are also progressing in production of medical-technology, tele-medicine and diagnostics. India and the US have already built a robust partnership in the Pharma sector. To achieve scale and speed, now is the best time to expand your investment in Indian health-care sector!

India invites you to invest in energy. As India evolves into a gas-based economy, there will be big investment opportunities for US

companies. There are also big opportunities in the clean energy sector. To generate more power for your investment, this is the best time to enter the Indian power sector!

India invites you to invest in infrastructure. Our nation is witnessing the largest infrastructure creation drive in our history. Come, be a partner in building housing for millions, or building roads, highways and ports in our nation.

Civil Aviation is another area of great potential growth. The number of Air passengers are expected to more than double within next 8 years. The top private Indian airlines plan to include over a thousand new aircraft over the coming decade. This is a huge opportunity for any investor who chooses to set up manufacturing facilities in India, which can become a base for supplying regional markets. A similar case is obvious for setting up Maintenance Repair and Operations facilities. To give flight to your aviation targets, this is an ideal time to invest in the Indian aviation sector.

India invites you to invest in defense and space. We are raising the FDI cap for investment in defense sector to 74 percent. India has established two defense corridors to encourage production of defense equipment and platforms. We offer special incentives for private and foreign investors. A few weeks ago, we cleared path-breaking reforms in the space sector. Come, be a part of these upcoming sectors.

India invites you to invest in finance and insurance. India has raised FDI cap for investment in insurance to 49 percent. Now 100 percent FDI is permitted for investment in insurance intermediaries. The insurance market in India is growing at a rate of more than 12 percent and is expected to grow to 250 billion dollars by 2025. With the success of Ayushman Bharat, our health assurance scheme, PM Fasal Bima Yojna, our crop insurance scheme and Jan Suraksha or social security schemes, the government has laid the ground for

quick adoption and acceptance of insurance products. There are large untapped opportunities for increasing insurance cover in health, agriculture, business and life insurance. To generate long term and assured revenues, the Indian insurance sector is one of the best investment options right now!

I have given you a few options and that too without any consultancy fees.

Friends,

When the markets are open, when the opportunity is high and the options are many, can optimism be far behind! You can see the optimism when India rises in key business ratings. Particularly the Ease of Doing Business ratings of the World Bank.

Investment is the best show of confidence. Every year, we are reaching record highs in FDI. Each year is significantly higher than the earlier one. FDI inflows in India in 2019-20 were 74 billion dollars. This is an increase of 20 percent from the year before that. Friends in USIBC inform that 'pledged investment' from the US has already crossed 40 billion dollars this year! Also see what has happened even during the ongoing pandemic. In the middle of COVID, India has attracted foreign investment of more than 20 billion dollars between April and July 2020!

But, India offers many more opportunities. We have what is needed to power the global economic recovery.

Friends,

The rise of India means: a rise in trade opportunities with a nation that you can trust, a rise in global integration with increasing openness, a rise in your competitiveness with access to a market

which offers scale. And a rise your returns on investment with the availability of skilled human resources.

Friends,

For this vision, there are few better partners than the United States of America. India and the USA are two vibrant democracies with shared values. We are natural partners. The US-India friendship has scaled many heights in the past. Now it is time our partnership plays an important role in helping the world bounce back faster after the pandemic. American investors often look out for the perfect timing to enter a sector or a country. To them, I would like to say: there has never been a better time to invest in India!

I once again thank the USIBC leadership for their commitment to advancing India-US economic partnership. May the USIBC keep scaling new heights!

May the India-America friendship grow further!

Namaste!

Thank you!

VRRK/SH