

Adding muscle to infrastructure sector with best standards



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It's a bold and game changing Budget, the government has focused on higher spending in rural economy, agriculture, housing and infrastructure, and yet maintained the best standards of fiscal prudence. The finance minister has kept in mind the need to continue with strong economic reforms, promote higher investments and accelerate growth, particularly in sectors such as railways, roadways, and solar energy. It's a very good budget, I would like rate to 8 out of 10.

The Union Budget has laid total allocation for infrastructure development at Rs 3,96,135 crore for 2017-18, I anticipate this will not only spur economic activities but also create more job opportunities. The proposal to abolish Foreign Investment Promo-

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tion Board (FIPB) in 2017-18, and further liberalise foreign direct investment (FDI) policy will help India to attract higher investments in infrastructure sector.

The amendment in the Arbitration and Conciliation Act 1996 will help to construct mutual bridge between the financiers and infrastructure developers, which is crucial to attract more players in the infrastructure space.

These strong steps will support project accounting and boost sector sentiment.

I would say this initiative is a silver lining for infrastructure sector.

The legal banking and financial framework has been strengthened to facilitate resolution, through the enactment of the Insolvency and Bankruptcy Code and the amendments to the SARFAESI and Debt Recovery Tribunal Acts. The budget has provided Rs 10,000 crores for recapitalisation of state owned banks in 2017-18. However, the government should have focused much more on additional recapitalisation of state owned banks, which are crucial for the growth of economy and infrastructure sector.