

**SPEECH OF HON'BLE MINISTER OF LAW AND JUSTICE
AT THE VALEDICTORY FUNCTION OF GLOBAL
INVESTORS' MEET "INVEST KARNATAKA"
ON 4TH FEBRUARY, 2016 AT BENGALURU.**

My Colleague Hon'ble Shri Suresh Prabhuji, Minister of Railways, Shri Siddaramaiahji, Chief Minister of Karnataka, distinguished guests, ladies and gentlemen,

Personally, it is a matter of pride for me to participate in the Global Investors' Meet which is being organised in my home State.

Friends, we have been witnessing many eventful happenings in last one year or so, as far as world economic scenario is concerned. Amongst global norms of unpredictability and volatility, India has stood out and is one of the fastest growing economies all over the world. India is also emerging as most attractive destination for foreign investment. The investors and the entrepreneurs of the whole world have realized the comparative advantages which India is offering, and its strengths either in the form of huge youth power, skilled labour or a better business climate. I believe that one of the major factors contributing to this scenario is mutual understanding between various stakeholders and the trust and confidence which the industry has reposed on the Government. Creation of conducive business environment and the appropriate fiscal and monetary policies have put our country's economy on a relatively more stable growth footing than other countries.

For the Government under the able leadership of Shri Narendra Modiji, reforms in governance has been the first and the

foremost priority. We support simple procedures, quick decision making, transparency and accountability. Coming out of the policy paralysis of the last decade, the bugle of investment revolution with the support of IT enabled services is blowing everywhere in the country.

You have already learnt about the missions which have been undertaken under the new Government. Make in India, Digital India, Skill India, Start-up India policies and projects have become important key points for the industrial sector to focus. All these policies have received good response from both the domestic and the foreign investors.

Make in India is to fulfil the grand vision of making India as a global Manufacturing Hub. The initiative aims at high global quality standards and minimising the impact on the environment. To put it in the words of Hon'ble Prime Minister, the programme's stress is on the concept of "Zero Defect, Zero Effect".

The success of this mission would also depend upon India's capabilities to attract foreign companies to set up factories in India and be a part of the country's infrastructure sector through investments. We have already identified 25 sectors like automobiles, chemicals, IT, pharmaceuticals, textiles, ports, aviation, leather, tourism and hospitality, railways, auto components, renewable energy, mining, bio-technology, and electronics to have a clear emphasis. With a view to encourage FDI, the Government has decided to allow 49% foreign direct investment (FDI) in the defence sector. Further, the ceiling for foreign investment in the Insurance and pension sectors has been raised from 26% to 49%.

Domestically, the Government is taking definitive steps forward to introduce pan-India goods and service tax regime. The Mudra bank scheme which was launched with Rs. 20,000 crore corpus to extend loans of between Rs. 50,000 and Rs. 10 lakh to small entrepreneurs, has been showing phenomenal progress.

All these initiatives have been coupled with the industrial policy reforms. Some steps like reducing the industrial licensing requirements, removing restrictions on investment and expanding and facilitating easy access to foreign technology and foreign direct investment have already been taken and more are in offing.

The National Investment and Manufacturing Zones are being conceived as giant industrial greenfield townships to promote world-class manufacturing activities and to attract capital and technological investment. The work to free industries from license and control and to ensure transparency has been started at fast pace. The application for licences has been made available online. The validity of licenses has also been increased to 3 years. Timelines are being defined for all clearances and the process of clearances by Central and State authorities shall be progressively web-enabled. The Government's focus is on physical infrastructure creation as well as creating a digital network for making India a hub for global manufacturing of goods ranging from cars to software, satellites to submarines and paper to power.

The Government is starting a pilot scheme for enabling industries in the capital goods sector to be in line with the global competition. A Secretariat for Industrial Assistance (SIA) has been set up by the Government of India in the Department of Industrial

Policy and Promotion (DIPP) in the Ministry of Commerce & Industry to provide a single window for entrepreneurial assistance and investor facilitation.

To cope with the increased demand for skilled manpower after capital and technical investment in capital goods industry, Capital Goods Skills Development Council is making a comprehensive plan under which components like skill gap identification, standardization of occupational standards, identification of master trainers, training for trainers and third party certification etc. are being finalized.

Friends, my Ministry has also been proudly associated with the grand initiative of ease of doing business. Identifying the need to resort to Alternative Dispute Resolution (ADR) mechanisms like arbitration for settling commercial disputes, Government has already undertaken amendments in Arbitration and Conciliation Act, 1996. This will help to conclude arbitration proceedings within 12 months with option to fast track, reduce appeals against awards and also facilitate quick implementation.

Similarly, for a quick, cost effective and fair settlement of commercial disputes over Rs. 1 crore, Commercial Courts, Commercial Division and Commercial Appellate Division in High Courts have been established. The Government is strongly committed to simplify legal procedures, weeding out redundant laws and significantly reducing Government litigation. We are working towards process re-engineering by High Courts to simplify procedures.

Friends, Karnataka is basically an agricultural State. Though, over a period of time, it has adopted many modern technologies in

agriculture. Still there is a huge gap and huge opportunity to invest in this sector. I am sure investors will utilize this opportunity and invest in agriculture sector also. Equally charming for investment is the tourism sector as Karnataka is a land of popular tourist destinations, beautiful beaches and a host of pilgrim centres.

Many companies, including Infosys, Wipro, TCS and public sector companies like HAL, BHEL, BEML have made Bangalore a household name all over the world. Bangalore has a unique place in the world map today due to start-up revolution. The Start-up India project has been initiated to utilise the youth power and their skills with an objective to encourage innovation and convert employees into employers. Bangalore has been the focus of start-up revolution and I am sure shall remain so in the time to come.

Karnataka is a land of great people. More than 1000 institutions, including religious ones, are engaged in providing quality education in this State. Thus, they have laid a strong foundation for the economic development of the State.

In the last two Global Investors' Meets organized in Karnataka, 6.7 lakh crore of investment and creation of 21 lakh jobs from 578 projects was expected. But the Government was able to attract only 45,000 crore of investment and 1.25 lakh jobs from execution of 122 projects. The Government of India is ready to extend all help to the State Government and to the entrepreneurs to realize the maximum from the promised investment. I whole heartedly wish and believe that this investors' meet will be a great success and the State Government shall find ways and means to encourage the investors. It is extremely important for India to emerge stronger in the present

world economic scenario and it is time for Karnataka to play a major role.

I whole heartedly thank you for taking part in this meet and inviting me to a part of this. I conclude my address by thanking you all on my behalf and also on behalf of the Union Government. I wish both Karnataka as well as all of you a great success in your efforts to bring more investment, more jobs and creation of more wealth for the larger benefits to the larger part of the society.

Jai Hind, Jai Karnataka.