

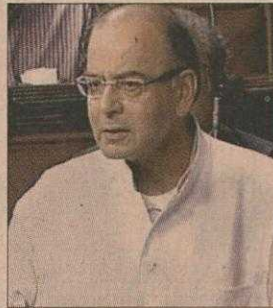
FM promises to step up public funding to boost infrastructure

New Delhi, March 25: Concerned over slow growth of manufacturing sector, finance minister Arun Jaitley on Wednesday promised to step up public spending on infrastructure, ease entry barriers for overseas investors and push Goods and Services Tax (GST) to boost economic expansion.

He also pitched for a low interest rate regime and defended the land acquisition bill saying it would benefit the rural India by promoting industrial activity in non-urban centres.

"Historic opportunity has revisited (us) and we have to use it to the maximum," Jaitley said while addressing investors at 'The Growth Net' conference.

The minister expressed the hope that the constitutional amendment bill to roll out the GST, new indirect tax regime, would be



passed in the next leg of the budget session beginning on April 20. Once approved by Parliament, GST will subsume various indirect tax levies like excise, service tax and octroi.

Answering questions on the land acquisition bill, which is stuck in the Rajya Sabha, Jaitley said that the Union Cabinet would take a call on the issue as the Ordinance promulgated by the President on the subject is set to automatically lapse on April 5.

The minister said that while the agriculture and services sectors have been doing well, "manufacturing is a challenge" and the government is trying to resolve the "legacy" issues hampering development of infrastructure sector.

"Our manufacturing sector is challenging and it is here that we have to actually invent the key engine of growth. This is an area where countries which overtook us. China is an obvious example..."

"Our concentration therefore is on 'Make in India', ability to try and device various methods of financing infrastructure...this is one area where we need to seriously concentrate on," he said.

The finance minister said he reviewed the progress of highway projects this morning. *PTI*