

# “PM MODI UNIQUELY PLACED TO UNSHACKLE INDIA”

**I**N THE RUN-UP TO THE UNION BUDGET, the Narendra Modi government has been meeting experts, economists and industrialists. In one such meeting organised by the Niti Aayog on June 22 — where PM Narendra Modi was present — three industry leaders were invited to make presentations on the “road ahead”. Vedanta founder **ANIL AGARWAL** was one of them (the other two being Tata’s N. Chandrasekaran, and ITC’s Sanjiv Puri). Agarwal later spoke to *BW Businessworld*’s **SUMANK. JHA** on what he thinks are the measures required to revive the economy. Excerpts:

## How did the meeting with the PM and Niti Aayog go?

The meeting was called by Niti Aayog Vice-Chairman Rajiv Kumar and CEO Amitabh Kant to present a roadmap to the Prime Minister on healthcare, jobs, education, among other things, in the run-up to the Union Budget. I spoke about our imports, currently valued at \$400 billion dollars, which can easily go up to \$1 trillion.

Do we really need to import that much? We have the best human resources, technical expertise and abundant natural resources. For instance, we are the third richest in coal — why import coal then? There are enough funds available globally and India is uniquely placed to attract that. We need to create enabling conditions, and undertake, for instance, labour reforms.

If we increase our oil production

from one million barrels a year to two million barrels, and produce 300 tonnes of gold, our current account deficit (CAD) will go.

We should not flout environmental laws — for I believe, it’s of utmost importance. Other than this, no other permissions should be required. PM Modi has said, and I have long maintained, that the government has no business to be in business. What must, however, be ensured is that there are no job losses or retrenchments (while the government is divesting).

Take a case history of companies where the government ceded control — you will see that the number of the people has gone up manifold where the operations were successfully led. In Hindustan Zinc (where we bought



a majority stake), the employee count went up more than three times. So, why can't we look at Kolar Gold, Shipping Corporation of India, Hindustan Copper, NMDC, Uranium Corporation, where the government divests? I strongly believe that the government value will go up by ten times!

Look at the public sector system. We have a magnificent talent pool. But they don't take decisions fast enough, fearing CAG or other inquiries. The public sector entities and banks should have 50 per cent government stake and the remaining 50 per cent should be held by the public. Like the public demands accountability during the elections every five years, they will make these companies accountable.

Also, I feel why put a cap on pro-

duction? Any increase in production helps everyone.

PM Modi is a doer. He is set to bring about far-reaching changes in the economy, housing, education, jobs, etc. I firmly believe that if PM Modi cannot do it, then no one else can.

**PM Modi sees a \$5-trillion-dollar economy by 2024. Do you see that happening?**

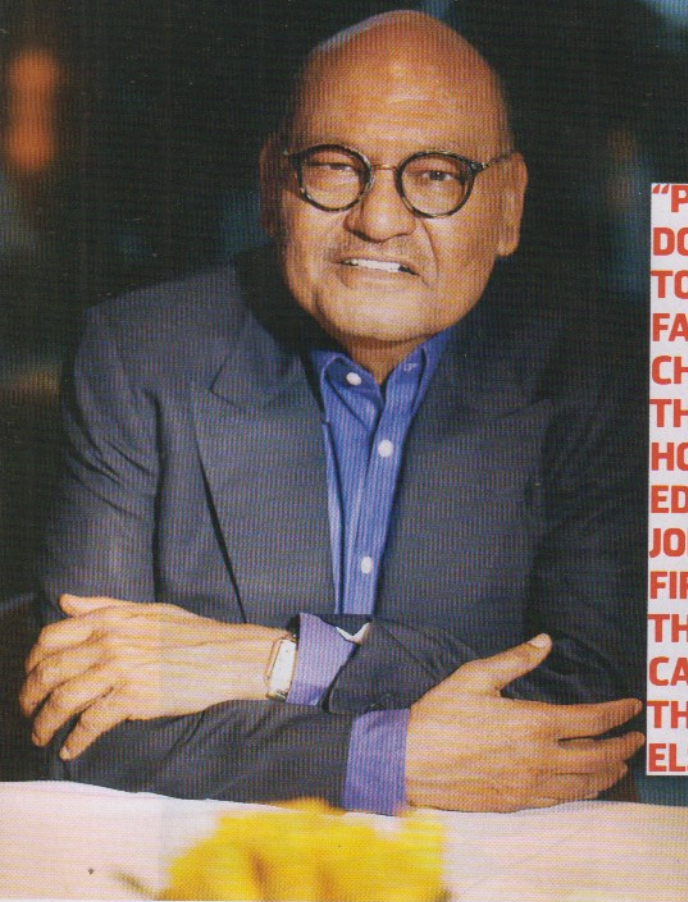
Of course, yes. This is very much

achievable. We have to, as I mentioned, undertake a few measures, including increasing production, and reducing dependence on imports. At the same time, public sector banks should lend more to the industry.

**What are your other expectations from the Union Budget?**

In aluminium, massive import – as much as 60 per cent – has happened. I hope it's curtailed. We are definitely

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one per cent of India's GDP. We will be the largest taxpayer in the country. Also, in the next two years, we want to make sure that 4 lakh children are taken care of, particularly their health, education and nutrition — through our Nand Ghar endeavour. Also, in the next two years, we want to ensure that 2 crore women in underdeveloped regions are empowered — and they turn entrepreneurs with regular monthly incomes. For instance, I am keen to do something meaningful in Bihar — a state where I hail from — but I am not getting a proper avenue.

**Do you think India is doing enough to address the rural distress?**

I think this government is hugely concerned about it. As the PM said, many farmers are so caught up with the drudgery in their daily lives that they don't even realise that they have an Agriculture Ministry to address their concerns. I think the PM wants that the industry should help with food processing units so that there is a value addition to the farm output. Also, one idea I think being explored is an app-based (much like Uber / Ola) tractor service — that can be a boon for the farmers. The PM is also concerned about the water resources, and the government is committed to doubling farm income.

**What are the leadership / life lessons that one can learn from Anil Agarwal?**

I think one has to be fearless and one has to be humble at the same time. And, then accept whatever comes, having faith in the supreme power. I am proud of my India and Bihar roots. I firmly believe that I have to give back to the land and the people who have given me so much. **BW**

hoping that we get full price for our oil. I always said that corporate tax should be 20 per cent.

**You think the Modi government is receptive to ideas?**

The PM has shown the intent and has said that he is hungry for newer, disruptive ideas. He has said if you have new ideas, come and present to me, I will give you time. So, the government is very much receptive to ideas.

**Jobs, farm distress, and a slowdown — are we facing a crisis?**

Banks are not doing their job. There's a squeeze on money, though the banks have enough money. That has created a havoc in the system. Money must reach the people and businesses so that they all can survive.

**How do we tackle the jobs crisis?**

Mining alone has the potential to create 10-15 crore jobs. The government must continue to spend massively on infrastructure. The construction sector along with infrastructure is the biggest employer. When it further opens up, there will be more jobs. Of course, you know that I believe that anyone with Aadhaar should be eligible for a loan of Rs 2 lakh so that they can turn entrepreneurs and found small businesses.

**What is Vedanta doing to create more jobs?**

We will spend Rs 60,000 crore in the next two years. Our revenues should rise from \$18 billion to \$30 billion in the next two years. This will create 10-15 thousand jobs. Vedanta will be

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