

'Success of reforms lies in implementation'

Panel tells Centre to learn from policy changes made by Vietnam, Taiwan and Thailand

OUR BUREAU

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The Parliamentary Standing Committee on Commerce has recommended a slew of measures, including changes in GST rates of certain commodities, to improve the investment scenario in the country.

The panel, headed by YSRCP leader V Vijayasai Reddy, said the main challenges faced by the country presently included administrative and regulatory hurdles, inadequate and costly credit facility, tedious land acquisition procedure, inadequate infra-

structure facilities, high logistics cost and large unorganised manufacturing sector, among others.

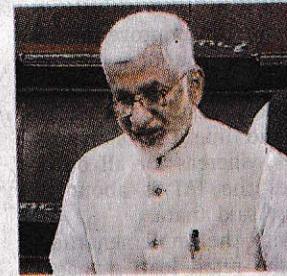
The panel, in its report, "Attracting Investment in Post-Covid Economy: Challenges and Opportunities for India", welcomed the policy changes and incentive schemes brought in by the Centre. However, success depends on the implementation of the reforms through seamless co-ordination between various Ministries and Departments of the Centre and States.

Stressing the need to sensitise State machinery/administration towards importance of investment and business, the report said countries are competing to attract foreign investors. "The Committee recommends that the Department (the Department for Pro-

motion of Industry and Internal Trade) should look into the policy changes brought in by countries such as Vietnam, Taiwan, Thailand, etc that made them more attractive to companies shifting their bases from China," the report said. It urged the Centre to enter into more international trade agreements beneficial to the country.

Consensus on land reforms

It suggested that the Centre constitute an Empowered Committee of State Ministers and the concerned Central Ministers to discuss issues regarding land acquisition and build a consensus on land reforms, in consultation with stakeholders. "The Empowered Committee should look into issues relating to land acquisition policies, di-



YSRCP leader V Vijayasai Reddy

gitisation of land records and simplifying administrative procedures like registration and land use conversion."

To boost domestic demand in automobile sector, the panel suggested that the rate of GST be reduced from 28 per cent to 18 per cent for all categories of vehicles and auto-components. It also recommended an incentive-based vehicle scrappage scheme.

To help the pharmaceutical industries during periods of high demand, the panel said an increase in 15 per cent over the approved pollution load may be allowed for a particular month. "Further, the requirement of environmental clearance for additional pollution load may be insisted only when a particular plant exhibits an increase in pollution for six consecutive months," the report said.

It suggested a time-bound approval system for grant of consent to establish and operate from the date of submission of complete application may be developed by the State Pollution Control Board.

"The Committee recommends that a concerted effort be taken to promote domestic toy manufacturing," the report said.