

FTAs will be finalised after discussions with industry, says Minister Piyush Goyal

Synopsis

If industry thinks it would get greater market access in the US, UK and Canada without opening the Indian market for businesses of those countries as well, "then there is no future of industry, then forget about FTAs and markets," he said.



Commerce and Industry Minister Piyush Goyal on Thursday assured the industry that the government will protect its interests in free trade agreements (FTAs) and these pacts would be finalised after holding detailed discussions with all the stakeholders. However, he also exhorted the domestic industry to become competitive and not seek protection for certain sectors in these agreements.

If industry thinks it would get greater market access in the US, UK and Canada without opening the Indian market for businesses of those countries as well, "then there is no future of industry, then forget about FTAs and markets," he said.

Goyal was speaking at CII's plenary session on 'Synergy Between the Government and Businesses for Sustainable Growth'.

Citing an example, he said, "If you think that I (industry) can export textile duty free in Europe and become competitive, but do not allow any thread or textile to come to India, do not open wines sector for them, do not open auto (sector)...If this will be your behaviour, then there is no future of industry, then forget about FTAs and markets."

"I can assure you that no FTA will hurt you. Each FTA will be finalised after holding discussions with you...In every product, every country cannot be competitive.

"Wherever our strengths are there, we need to exploit that and in some products, we also have to show generous heart, then only FTA can be done, otherwise not. So I will seek your support and cooperation in that," Goyal said.

India is negotiating free trade pacts with countries including Australia, Canada and UAE. Under such agreements, two trading partners significantly reduce or eliminate import/customs duties on the maximum number of goods traded between them.

The minister also suggested that industry chamber CII can take the lead in creation of a fund with Rs 10,000 crore corpus to provide domestic startups early stage funding, as foreign companies are buying out startups at cheaper rates.

"They should all...Tatas, Ambanis, Bajajs and Birlas, all of you should be pitching in. Even if you pitch with Rs 100 crore, Rs 200 crore, Rs 500 crore each, the country's startups will get a huge support..."

"Please help in creation of value for our startups, and you will get profit in that also.... even if one out of 10 companies does well...and I would go to the extent of saying that if 1 or 2 or 4 or 10 cases.. go bad, this much you can sacrifice for the country...I seek your apology if somebody did not like my words," he said.

He added that the true synergy is that "we both should have equal concerns for our countrymen" and this is a joint responsibility of the government and industry.

On vaccination, the minister urged the industry to procure 25 per cent of COVID-19 vaccines and vaccinate people.

Industry had made "tall claims" about vaccinating employees, their family members, and villagers around their factories, but "I am waiting to see that synergy and I do urge all of you to reflect on the tall promises made and see what more you can do."

Further, Goyal said industry should not look for ways to circumvent government policies like foreign direct investment norms.

"When I see **Tata Sons** that they are objecting for some consumer benefit laws or regulations that I am bringing in, then frankly it hurts..." he said, adding "me, myself, my company, we need to move forward from that."

He also urged domestic firms to use made in India goods, even if they are a bit expensive, and show some willingness to support MSMEs and pay their dues timely.

"What is our commitment towards India, we need to introspect that," he said, adding there is a need to increase synergy between industry chambers.

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