

## Modi urges AIIB to boost lending 10-fold to \$40 bn

Narendra Modi

Prime Minister Narendra Modi on Tuesday urged the Asian Infrastructure Investment Bank (AIIB) to boost lending tenfold to \$40 billion by 2020, and to \$100 billion by 2025, in order to speed up infrastructure financing across the region.

Addressing the third annual meeting of the China-backed multilateral lender, Mr. Modi sought to woo investors by highlighting India's economic progress and policy environment.

"India is one of the most investor-friendly economies in the world," Mr. Modi said. "Investors look for growth and macroeconomic stability. They want political stability and a supportive regulatory framework to ensure protection of their investment." He cited a recent sovereign ratings upgrade as reflective of the country's strong economic fundamentals. "India has emerged as a bright spot in the global economy which is driving global growth as well," he said. "We have liberalised the FDI regime. Today, most sectors are on automatic approval route." He said the size and growth of the Indian market holds much potential and that the country's per capita income had doubled in the last decade.

### **'Economies of scale'**

"The size and scale of requirement in India gives the added advantage of economies of scale for investors," Mr. Modi said.

The AIIB started operations in January 2016 and has so far approved 25 projects in a dozen countries with a total financing of more than \$4 billion, which Mr. Modi described as a 'good beginning.'

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