

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

RAJYA SABHA  
UNSTARRED QUESTION NO.1173  
TO BE ANSWERED ON TUESDAY, FEBRUARY 10, 2026 /Magha 21, 1947 (Saka)

**Roadmap to safeguard national economy**

**1173. Shri Ravi Chandra Vaddiraju:**

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has prepared a comprehensive roadmap to safeguard the national economy in view of current international tensions and potential geopolitical conflicts;
- (b) the strategies being prioritized to ensure sustained growth in the financial sector during the upcoming 2026-27 financial year;
- (c) whether specific sector-wise or State-wise contingency plans have been formulated to mitigate external shocks, if not, the reasons therefor; and
- (d) the timeline and key milestones envisaged by the Ministry for implementing these measures to strengthen financial stability and resilience?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)

(a) and (c): Amidst global uncertainties and geopolitical tensions, the government has adopted a calibrated and multi-pronged approach to safeguard the national economy. Sustained fiscal consolidation alongside rising capex, benign inflation, healthy bank balance sheets, rising foreign exchange reserves, and diversified trade engagement, including the conclusion of mutually beneficial Trade Agreements, reflect India's macroeconomic stability and resilience amidst rising geopolitical and international tensions. The Government's focus has been on further strengthening domestic capabilities, enhancing supply-chain resilience, and maintaining macroeconomic stability.

As outlined in the Union Budget 2026-27, to accelerate and sustain economic growth, by enhancing productivity and competitiveness, and building resilience to volatile global dynamics, interventions have been proposed in six areas: i) Scaling up manufacturing in seven strategic and frontier sectors like, biopharma, semiconductors, electronics component manufacturing, establishment of Rare Earth Corridors in mineral-rich States; dedicated chemical parks, and strengthening of capital goods manufacturing through Hi-Tech Tool Rooms, advanced Construction and Infrastructure Equipment Scheme and a container manufacturing scheme; ii) Rejuvenating legacy industrial sectors like textiles; iii) Creating "Champion MSMEs"; iv) Delivering a powerful push to Infrastructure; v) Ensuring long-term energy security and stability; and vi) Developing City Economic Regions. These targeted interventions are expected to enhance sectoral self-reliance and provide built-in buffers against external disruptions.

(b) The Budget 2026-27 has proposed several measures to ensure the sustained growth of the financial sector. These include the setting up of a High-Level Committee on Banking for Viksit Bharat to review the banking sector, align it with India's next phase of growth, while safeguarding financial stability, inclusion and consumer protection; restructuring of Power Finance Corporation Limited and Rural Electrification Corporation Limited with a vision to achieve scale and improve efficiency in the Public Sector NBFCs; comprehensive review of the Foreign Exchange Management (Non-debt Instruments) Rules to facilitate foreign investment; extension of tax incentives for IFSC units; and measures to deepen capital markets, including support for municipal bonds, market making framework with suitable access to funds and derivatives on corporate bond indices, introducing total return swaps on corporate bonds and broader participation by Individual Persons Resident Outside India (PROI), among others.

(d) The measures announced in the Union Budget 2026-27 are being implemented in a phased and continuous manner during the financial year and beyond. Progress is monitored on an ongoing basis in line with evolving global and domestic macroeconomic conditions to ensure financial stability and economic resilience.

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