PAVING THE WAY FOR A MANUFACTURING REVOLUTION AND JOB GROWTH

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The Hon'ble Finance Minister has tried to establish a balance between the basic investments India needs to spur manufacturing to create much-needed jobs, and the PLI schemes it has promoted to attract manufacturing investments.

The government has, for the first time, stressed the need for a central infrastructure scheme to set up plug-and-play industrial infrastructure, desperately needed by over 5 Lakh entrepreneurs starting out every year (allocation of INR 2,500 Crore). Combined with the industrial housing push (allocation of INR 2,500 Crore), the National Industrial Corridor (INR 2,500 Crore), and the manufacturing mission (allocation of INR 100 Crore), this could be a potent combination for motivating startup and MSME manufacturing enterprises.

Along with the infrastructure push, increased allo-cations for PLIs in sectors such as automotive, EV and green mobility, dairy, fishery, food processing, textiles, pharmaceuticals, chemicals, and electronics & IT can be expected to act as a catalyst for attracting inter-national and national investments in manufacturing in India.

Enhanced allocations for the Internship Program, NATS, along with new employment generation schemes and PMEGP (total allocation of INR 34,513 Crore), could provide the right mix of on-the-job training and skilling in MSMEs to engage our demographic dividend.

Allocations for the Fund of Funds, the Urban Challenge Fund, and R&D and innovation (total allocation of INR 32,000 Crore) can support India's entrepreneurs in providing innovative and sustainable solutions to address the challenges of pollution, water conservation, sanitation, waste management, green energy, and mobility.

The Export Mission (allocation of INR 2,250 Crore) could not have come at a better time, especially when there is huge potential for Indian B2B and e-commerce exports around the world. However, ending both the interest equalisation scheme and the market access initiative scheme could be a cause for concern.

More importantly, many initiatives to accelerate manufacturing and exports, reduce compliances, and support MSMEs are still under discussion at the top levels of government, and it seems they will be announced once they are finalised, as long as they do not require financial concurrence to be included in the Finance Bill.

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