

# THE ECONOMIC TIMES

Agenda for the New Government

## Manufacturing

:: **Baba Kalyani**

**W**e expect the new government to put the stalled projects on a fast-track mode, push for better investments and focus on the manufacturing sector along with other developmental goals. Here are my recommendations: I hope it can bring accountability to the system. If they want to reject a proposal, they should be able to say it in a month. We need one unified ministry, like in Japan's ministry of economy, trade and industry (METI) and the United States (department of commerce). This agency should be a sort of godfather for manufacturing, focused entirely on manufacturing and creating growth.

We need a concerted focus on skill training, we need good infrastructure that will help manufacturing. This ecosystem will have to be created. It cannot be created by industry and has to be done with national laws.

The second part is that we are not encouraging domestic companies to participate in Indian projects. Our entrepreneurs should be allowed to take the lead. We should create big projects like the Delhi-Mumbai Industrial Corridor. Many Indian companies have proven themselves, yet there is a lack of trust. We have instead gone and signed free trade agreements (FTAs) with several countries. Look at how imports have gone up in the last seven years; everything is now coming from outside. Local manufacturing has fallen, structural changes are needed.

Third, I would like to stress on the need to focus on advanced manufacturing. This will need a transformational shift. Industry has to move beyond low cost and build or acquire new technologies. The government has to focus on implementing the national manufacturing policy and prioritize indigenization of key sectors like defence, power and railways.

If we do not latch on to this next revolution now, we will never be able to catch up. This would need a unified approach. We are all looking for change.

(The writer is CMD, Bharat Forge)



We need to focus on advanced manufacturing and move beyond low cost