

'Jobs-linked PLI scheme to boost several sectors'

**Sidhartha &
Surojit Gupta | TNN**

RDinesh, president of the Confederation of Indian Industry, is optimistic about growth momentum. In an interview to **TOI**, he says significant private sector investment is happening across sectors. Excerpts:

What is your assessment of the overall macroeconomic situation?

Obviously, good indicator of the pack is that the platform or base is very very strong. Second is that in spite of global uncertainty and also the issues which have been faced in different markets, India has managed to stand its own ground. There are obviously two reasons for it. First, is that investment in infrastructure has made the difference in terms of making India more competitive and cost competitive. Second, the real benefit India has seen are gains from digital journey, and the fact that India is seen as the only growing market in world, is building the virtuous cycle. Across all sectors, you would see a good trajectory.

What is the overall picture of investment situation?

Let us step back for a minute and look at the percentage of private capex investment. While obviously we won't have current year data, but if we look at approximately, it is between 36-37% of private sector capex investment, which is actually backing the economy. If we look at 2021-22, it was, I think, 36%. If you look at 2022-23, it was 37% and if we

look at 2023-24 also, more or less, we are talking about 36-37%. If you look at it as a percentage, I don't think we are going down in any form or manner. It is not right to say that private sector capex is not happening. Private sector capex is happening and as a percentage, it is fine. Now, next issue which happens is how do we look at it from the perspective of growth parameters. I have explained to you earlier but now we have even more, I would call it proof of that because as the CEO poll, which we did as late as December as well, across steel, cement, energy, automotive, every sector that you look at, all of them have crossed the threshold of 75-85% capacity utilisation and in some cases, it is as high as 95% utilisation. Therefore, to say that there is no capex activity, is definitely wrong. There is significant capex activity taking place. It is again certain sectors, that have reached the capacity utilisation of such a level that they will continue to invest. Every member whom we speak to, all of them are saying that we are looking at significantly higher investments, going forward.

What are three or four important things that you would want new govt to do when they take office?

We want to continue to have economic growth taking place. It is an inclusive economic growth because jobs and livelihoods are generated, protected and built. Focus on infrastructure continues and that is not at the expense of and is beautifully balanced with sustainabili-

ty and need for continuing the digital journey. So, first would be large actions, which are needed for making sure that we protect, whether be the land reforms or whether it be supporting of these sectors through working with the states to make it happen. But if you look at specifics, you would have a focus on targeted subsidies, which would cover obviously the people, who are vulnerable population so that the inclusive side of it is covered. Jobs become very important. Having an employment linked incentive scheme, along with PLI, is something which would be a common approach and that would also help in sectors, such as, tourism, logistics or even hospitality, retail, all of those are big job generators. And the equitable side of it, obviously diversity and bringing in more women into employment. While we speak about infrastructure, we should not forget that infrastructure includes healthcare and education as well. It is not just physical infrastructure that we are speaking of.

What is the mechanism that industry would be comfortable with in terms of electoral funding?

Whatever we are working on is on transparency. As an industry body, we believe that transparency is the most important point. Whichever methodology we choose, what I mean by transparency, it is not about electoral bonds, I am talking about funding. Anything given above the board, like it happened in other developed countries, is the way to go.