

FM to industry: Utilise govt schemes

FE BUREAU
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FINANCE MINISTER NIRMALA Sitharaman on Thursday gently nudged Indian industries to invest to expand their capacity to serve the growing needs of India by taking advantage of the government's employment and production-linked incentives and the corporate tax rate cut since 2019.

Addressing the Southern India Chamber of Commerce and Industry in Chennai, the minister said credit availability is no longer an issue and the industry should seize the opportunity as India is now proving to be a leader in newer industries, the newer sectors and in sunrise areas.

"Post 2019, when the corporate tax was reduced, there was a lot of expectation that Indian industry will come out of their twin balance sheet problem and be in a position to invest

and expand their business," she said, adding that unfortunately they were hit by Covid-19 outbreak and took time to come out of it.

She said the Chinese economy achieved a lot but is not right for India to compare with China due to their closed economy.

"However, we have that much capability and potential in this country. I would think industry should seize this moment and leap forward for its own industrial advantages... so that you can compete globally and also be in position to contribute to growing India's needs," she added.

Three schemes for 'Employment Linked Incentive' were announced in Union Budget 2024-25 as part of Prime Minister's package of 5 schemes and ini-

tiatives to facilitate employment, skilling and other opportunities for 410 million youth over a 5-year period with a central outlay of ₹2 lakh crore. Separately, the government has allocated ₹1.95 trillion for production linked incentives in 14 sectors.

No friction between Centre and states over GST

Speaking at another event, Sitharaman said there was no 'friction' in the ties between the Centre and States over Goods and Services Tax (GST). "I completely deny that there's a lot of friction in GST relationship with states. The federal structure in the GST framework has to be respected so that both the Centre and States could work together to promote developmental activities besides widening the tax base," she said.

