

Budget 2021 expectations from Masatomo Nishizaki,

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COVID-19 pandemic has forced manufacturers reimagine supply chain strategy and execution for manufacturing companies. The Government must take all efforts to make India a preferred destination for manufacturing. “Ease of Doing Business (EODB) ratings have seen significant jump to reach 63 (up by 14 places in a year) and long-term strategic partnerships with countries like USA, Russia, France, Japan etc. will further open opportunities for manufacturing. Recent developments such as FCA’s new Global Digital Hub \$150Mn development and Tesla’s entry into India, have been very encouraging. As far as expectations from the Government and the budget is concerned, Indian manufacturers are expecting foreign investment to be made more attractive. India receives only 1.5 to 2.0 % FDI from Japan which could be increased significantly given our good relationship with Japan. Incentives could be provided for companies to open R&D centres, bring new technology and know-how to India. Localization incentives should be provided to use local vendors and suppliers for sourcing needs. Lowering of tariffs is required to make India an attractive global supply chain hub. Improvisation of human capital and workforce by imparting industry driven training programmes, skill development by building new centres across country, which could be run on PPP models. On day to day operations side, improvements are required to access fast internet and stable electricity at industrial parks. We expect that government should take policy measures to encourage, improve and fasten adoption of Industry 4.0 and automation technologies, collaborative design, 3-D printing / additive manufacturing, AI, ML, Big data analytics Collaborative Robots & Vision based technologies etc., similar to how the German Government had undertaken in the success of Industry 4.0 in Germany.