

Govt policy effect is being seen at ground level: Baba Kalyani

Bharat Forge chief says if monsoon is good, second half of fiscal could see further improvement in the economy

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Baba N Kalyani

Baba Kalyani, chairman and managing director of Bharat Forge, said the impact of government's economic policies was showing at the ground level. Speaking on the sidelines of the fourth convocation of Indian Institute of Technology, Gandhinagar (IIT-Gn), Kalyani said if the monsoon turned out to be good, the second half of the financial year could see further improvement in the economy. "There is effect (of government policies) at the ground level. If it wasn't so then the economy wouldn't have been growing at 7-7.5 per cent.

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[Kalyani](#)

The problem in our country is that the effect should be seen immediate. It takes time. If the monsoon is good, which it seems so, the agricultural economy will improve a lot and inflation is already under control. The government has more resources now. The second half (of the financial year), after September, we should see a lot of improvement," said Kalyani.

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According to Kalyani, the 'Make in India' initiative would create a lot of opportunities for young engineers. "From a manufacturing industry perspective, the opportunities that are arising out of the prime minister's game changing 'Make in India' initiative are significant. India's GDP (gross domestic product) today stands at \$ 2 trillion and manufacturing is about 15-16 per cent of the GDP. In seven-eight years, India's GDP is likely to be around \$5-6 trillion becoming the third largest economy after China. The prime minister's vision is to make manufacturing 25 per cent of the total GDP, which will take time. But what it means is that your generation can see manufacturing worth \$ 1.2 trillion in the next 10-15 years, which is 10 times more than what my generation achieved," Kalyani told students.

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"Several capital goods required by key infrastructure industries continue to be imported in spite of capabilities being available domestically. When some of these products begin to be manufactured indigenously they would help increase the share of manufacturing in national GDP, save precious foreign exchange and create new employment opportunities," Kalyani said.

Speaking on the sidelines of the convocation, Kalyani also said that for the initiative to be successful, the government will need to work on three areas, namely policies, building talent and attracting

investment.

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"Make in India will need three things to be successful. First is policy which is already in place and government is doing its best to promote ease of doing business. Second is talent which cannot be developed in a day. It will take a decade. But institutes like IITs and RECs are focusing a lot towards skill building and when it reaches a critical mass, we will see a considerable effect. Third is investment which the Prime Minister is working hard to attract which is showing results with investments beginning to pour in. Lot of work will now need to be done towards talent creation," Kalyani said.

The IIT-Gn convocation saw over 160 students graduating in areas like BTech, MSc, MTech, PhD and PGDIIT diplomas. Talking about the institute's initiatives, Sudhir Jain, director of IIT-Gn said that the institute was the first IIT to now award an MSc degree in cognitive science.