



## INDUSTRY SCHEMES 2026 PRELIMS

### 1. National Manufacturing Mission:

The **National Manufacturing Mission (NMM)** was introduced in the **Union Budget 2025-26** as a strategic extension of the "Make in India" initiative. As of May 2026, it serves as a comprehensive framework to transform India into a global manufacturing powerhouse.

#### Core Identity & Administration

- **Ministry:** Under the **Ministry of Commerce and Industry**.
- **Implementing Agency:** Governed by a dedicated autonomous nodal agency, the **National Cleantech Manufacturing Agency (NCMA)**, with coordination from **NITI Aayog** and an inter-ministerial committee.
- **Scheme Type:** Operates as a **Central Sector Scheme**, providing policy support and execution roadmaps for both central ministries and states.
- **Classification:** It is an **Umbrella Scheme** that integrates several sector-specific initiatives (like textiles, toys, and leather) under a unified governance framework.

#### Aims & Objectives

- **GDP Share:** Target to increase manufacturing's share in India's GDP to **25% by 2035** (revised from earlier 2025 targets).
- **Job Creation:** Aiming to create **143 million jobs** across small, medium, and large industries.
- **Export Growth:** Expansion of merchandise exports to **USD 1.2 trillion** through deeper global value chain integration.
- **Self-Reliance:** Building a robust ecosystem for strategic sectors like **Clean Tech** (Solar PV, EV batteries, wind turbines) to reduce import dependence.

#### Key Features & Funding

- **Focal Areas:** Focuses on five pillars: **Ease and Cost of Doing Business, Future-Ready Workforce, Dynamic MSME Sector, Technology Access, and Quality Products**.
- **Funding Mechanism:** Utilises **Viability Gap Funding (VGF)** and fiscal incentives to attract private investment.
- **Initial Outlay:** Launched with an initial allocation of **₹100 crore** for foundational work, which was substantially expanded in the subsequent budget.
- **MSME Support:** Enhanced credit guarantee cover for MSMEs from ₹5 crore to **₹10 crore**.

#### 2026 Update: Achievements & Criticism

##### Category

##### Details as of May 2026

<b>Achievements</b>	<p><b>GVA Growth:</b> Manufacturing GVA grew by <b>9.13%</b> in Q2 of FY 2025-26.</p> <p><b>Tech Shift:</b> Medium and high-tech industries now contribute <b>46.3%</b> of India's manufacturing value added.</p>
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**Cluster Progress:** Operationalised industrial corridors like Dholera and Greater Noida with ₹2.02 lakh crore in investments.

### Criticism

**Ambitious Timelines:** Experts argue that raising the GDP share to 25% by even 2035 remains a massive structural challenge despite the mission.

**Regulatory Hurdle:** Criticism persists regarding the speed of rationalising **Quality Control Orders (QCOs)** for raw materials not yet available domestically.

**Import Reliance:** Despite growth, a high reliance on imported critical components for clean energy and electronics continues to be a bottleneck.

## 2. Production Linked Incentive (PLI) 2.0:

The **Production Linked Incentive (PLI) 2.0** represents the second phase of India's flagship manufacturing strategy, specifically launched for the **IT Hardware** sector in May 2023. As of **May 2026**, the government has further expanded the PLI 2.0 framework to include **smartphones**, with an estimated outlay of over **₹46,000 crore (\$5.5 billion)**.

### Core Identity and Nature

- **Scheme Type:** It is a **Central Sector Scheme**, meaning it is 100% funded and implemented by the Central Government.
- **Classification:** It is considered a **flagship scheme** under the broader "Make in India" and "Atmanirbhar Bharat" (Self-Reliant India) initiatives.

### Aims and Objectives

- **Deep Localization:** Unlike PLI 1.0 (which focused on assembly), PLI 2.0 targets the **entire value chain**, specifically component manufacturing and sub-assemblies.
- **Global Supply Chain Hub:** To position India as a trusted alternative to China for global exports of laptops, tablets, and servers.
- **Import Substitution:** To reduce heavy reliance on imported electronic hardware.
- **Economic Growth:** Aims to contribute significantly to India's goal of a **\$1 trillion digital economy**.

### Key Features & Funding Mechanism

- **Incentive Structure:** Companies receive financial incentives of **3% to 5%** on the **incremental sales** of goods manufactured in India over a base year.
- **Flexible Tenure:** The scheme support is typically extended for a period of **6 years**.
- **Project Management Agency (PMA):** The **Industrial Finance Corporation of India (IFCI)** serves as the primary implementing agency for IT Hardware PLI 2.0.



- **Funding:** Funded through a dedicated budgetary outlay. The IT Hardware PLI 2.0 was initially allocated ₹17,000 crore, while the new smartphone extension in 2026 eyes an additional \$5–7 billion.

### Administration & Ministry

- **Nodal Ministry:** The [Ministry of Electronics and Information Technology \(MeitY\)](#) is the primary ministry.
- **Coordination:** The Department for Promotion of Industry and Internal Trade (DPIIT) acts as the nodal coordinating body for the overall PLI program across all 14 sectors.

### 2026 Status & Achievements

As of May 2026, the program has recorded the following milestones:

- **Investment & Output:** Catalysed over ₹2.16 lakh crore in investments across various sectors.
- **Mobile Export Growth:** India now accounts for nearly 15% of global mobile production, with annual exports reaching roughly \$55–70 billion.
- **Import Reduction:** Mobile phone imports have plummeted by approximately 77% since FY 2020-21.
- **MSME Inclusion:** Over 176 MSMEs have directly benefited as suppliers to large PLI anchor units.
- **Localization:** Domestic value addition (DVA) in electronics has risen to roughly 18–20%, with a target to reach 75–80% by 2029.

### Criticisms & Challenges

- **Slow Job Creation:** Critics argue that while production is high, employment generation in capital-intensive sectors hasn't met initial projections.
- **Low Value Addition:** A significant portion of manufacturing remains focused on "screwdriver assembly" (assembling imported kits) rather than high-tech component manufacturing.
- **Subsidy Dependency:** There are concerns that industries may become uncompetitive once the 5-6 year subsidy period ends.
- **MSME Exclusion:** High investment thresholds often prevent smaller domestic firms from participating directly, favoring deep-pocketed Multi-National Companies (MNCs).
- **Documentation Burden:** Rigorous "Domestic Value Addition" norms and complex verification processes have led to delays in incentive disbursements

### 3. National Industrial Corridor Programme:

The **National Industrial Corridor Development Programme (NICDP)** is India's flagship initiative aimed at establishing **Greenfield Industrial Smart Cities** to position the country as a global manufacturing hub.

#### Core Framework & Administration

- **Ministry:** Under the administrative control of the **Ministry of Commerce & Industry** (specifically the Department for Promotion of Industry and Internal Trade—DPIIT).
- **Implementing Agency:** [National Industrial Corridor Development Corporation \(NICDC\)](#).



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## ONLINE COURSE DETAILS

**Duration : 12 months**

**Mode : Through online class**

**Timing : 9.00 p.m to 10.30 p.m**

**Total Fees structure income slab wise:**

Below ₹2.5 lakh per annum	: ₹3000/-
Between ₹2.5 lakh to ₹5 lakh pa	: ₹6000/-
Between ₹5 lakh to ₹8 lakh pa	: ₹12000/-
Between ₹8 lakh pa to ₹10 lakh pa	: ₹24000/-
Above ₹10 lakh pa	: ₹60000/-

**Course include:**

**Inclusive coverage of all Preliminary subjects (includes CSAT)**

**Inclusive coverage of all Mains subject (includes Ethics subject)**

**Monthly preliminary mock test**

**NOTE: Income here include individual's self income and family income**

## OFFLINE COURSE DETAILS

**Duration : 12 month (paid) + Free access to all till succeeding in civil service exam**

**Mode : Physical classroom+ Online**

**Timing : 7.30 a.m to 9.30 p.m**

**Total Fees structure income slab wise:**

Below ₹2.5 lakh per annum	: ₹12000/-
Between ₹2.5 lakh to ₹5 lakh pa	: ₹24000/-
Between ₹5 lakh to ₹8 lakh pa	: ₹48000/-
Between ₹8 lakh pa to ₹10 lakh pa	: ₹60000/-
Above ₹10 lakh pa	: ₹80000/-

**Course includes:**

**Includes above all Online course features**

**Regular mains writing practice and mock test**

**Regular mock interviews**

**Regular intensive current affairs discussion**

**Skill development course includes spoken English)**

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- **Funding Mechanism:** Financed through the **National Industrial Corridor Development and Implementation Trust (NICDIT)**. In the 2026-27 Union Budget, ₹3,000 crore was allocated to the trust.

- **Scheme Type:** It is a **Central Sector Scheme**.

- **Classification:** It is an **umbrella scheme** that oversees 11 different major industrial corridors.

### Aims, Objectives, and Features

- **Goal:** To drive industrial growth, enhance logistics efficiency, and create globally competitive ecosystems.

- **Key Features:**

- **Plug-and-Play Infrastructure:** Ready-to-use facilities and streamlined approvals to reduce business setup time.



- **Multimodal Connectivity:** Integration with Dedicated Freight Corridors (DFCs), highways, ports, and rail.
- **Sustainable Urban Planning:** Developing "Low-Carbon Cities" with renewable energy, waste recycling, and green spaces.
- **Walk-to-Work Concept:** Designing cities to reduce commuting and improve worker quality of life.

### 2026 Status and Achievements

As of **May 2026**, the programme has seen significant expansion and milestone completions:

- **Corridor Reach:** Currently covers **11 major industrial corridors**.
- **New Approvals:** In late 2024, the government approved **12 new greenfield industrial smart city projects** across 10 states.
- **Economic Impact:** Phase-I cities have attracted approximately **₹2.02 lakh crore** in investments.
- **Operational Progress:** 4 projects are already completed/operational, and 4 more are nearing completion as of early 2026.
- **Latest Expansion:** The Union Budget 2026-27 announced an **Integrated East Coast Industrial Corridor** with a key node at Durgapur.
- **Recent Milestones:** Foundation stones for major sites like the **Zaheerabad Industrial Area** (Telangana) were scheduled to be laid on **May 10, 2026**.

### Criticisms and Challenges

- **Land Acquisition:** Huge land requirements for greenfield development remain a major hurdle, often causing delays or legal disputes.
- **Coordination Issues:** Lack of seamless coordination between central departments and state-level local bodies.
- **Environmental & Social Impact:** Some assessments have been criticized for overlooking the views of local populations or environmental concerns.
- **State Support:** Success is highly dependent on active state government cooperation, which is inconsistent across different regions.

### 4. Scheme for Rare Earth Permanent Magnets:

The **Scheme to Promote Manufacturing of Sintered Rare Earth Permanent Magnets (REPM)** is a strategic central initiative approved in November 2025 with an outlay of **₹7,280 crore**. It aims to build India's first integrated ecosystem for high-value magnets, which are critical for electric vehicles (EVs), wind turbines, and defence systems.

### Core Framework & Administration

- **Ministry:** [Ministry of Heavy Industries \(MHI\)](#).
- **Implementing Agency:** Ministry of Heavy Industries.



- **Scheme Type:** This is a **Central Sector Scheme** (100% funded by the Union Government). While often described as a "first-of-its-kind" flagship initiative for advanced materials, it also aligns with the broader **Atmanirbhar Bharat** umbrella.
- **Duration:** 7 years (including a 2-year gestation period for plant setup and 5 years of incentive disbursement).

### Aims and Objectives

1. **Domestic Ecosystem:** Establish **6,000 Metric Tonnes Per Annum (MTPA)** of integrated manufacturing capacity.
2. **Import Reduction:** Reduce heavy dependence on imports, primarily from China, which previously supplied over 90% of India's demand.
3. **Value-Chain Integration:** Support the full process from rare-earth oxides to metals, alloys, and finally finished sintered magnets.
4. **Strategic Alignment:** Support the [Net Zero 2070 commitment](#) by securing components for clean energy and green mobility.

### Funding Mechanism & Features

The scheme uses a hybrid incentive model:

- **Sales-Linked Incentives (SLI):** ₹6,450 crore to be disbursed over five years based on actual sales.
- **Capital Subsidy:** ₹750 crore to support the setting up of advanced, integrated facilities.
- **Beneficiary Selection:** Up to **five entities** are selected via global competitive bidding, with each allowed a maximum capacity of 1,200 MTPA.

### 2026 Status and Achievements

- **Manufacturing Kick-off:** As of early 2026, the Minister for Mines stated India aims to start producing magnets locally by the end of the year.
- **Bidding Progress:** The Ministry of Heavy Industries held a pre-bid conference on April 7, 2026, with over 25 companies showing interest; final bids were due by May 28, 2026.
- **Rare Earth Corridors:** The **Union Budget 2026–27** introduced "Dedicated Rare Earth Corridors" in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu to focus on mining and research.
- **Exploration:** Over 4,000 critical mineral exploration activities are currently underway.

### Criticisms and Challenges

- **Raw Material Gaps:** India has surpluses of light rare earths (neodymium) but lacks extractable quantities of heavy rare earths like **dysprosium** and **terbium**, which are essential for high-performance magnets.
- **Supply Shortfall:** Analysts note that while the scheme targets 6,000 MTPA, India's demand is expected to double to 14,000+ tonnes by 2030, potentially leaving a significant gap.



- **Price Volatility:** Critics argue that domestic manufacturers face "whiplash" from global price swings of rare-earth oxides, which can undermine the financial bankability of new plants.
- **Import Undercutting:** There are concerns that Chinese manufacturers could price-dump to undercut new Indian production

### 5. Revised MSME Classification:

The revised MSME classification as of 2026 utilizes a **composite criteria** of Investment and Turnover to broaden the sector's scope. Administered by the [Ministry of Micro, Small and Medium Enterprises](#), this framework functions as an **umbrella system** for various [Central Sector Schemes](#) aimed at economic equity.

#### Revised MSME Classification (2026 Update)

Enterprise Category	Investment Limit	Turnover Limit
Micro	₹2.5 Crore	₹10 Crore
Small	₹25 Crore	₹100 Crore
Medium	₹125 Crore	₹500 Crore

*Investment limits were enhanced by 2.5x and turnover limits by 2x in the 2025-26 Budget to account for inflation and encourage scaling.*

#### Governance & Implementation

- **Ministry:** [Ministry of Micro, Small and Medium Enterprises](#) (MoMSME).
- **Implementing Agencies:** National agencies like KVIC, NSIC, and SIDBI work with state-level directorates and District Industries Centers (DICs).
- **Scheme Type:** Primary initiatives like **PMEGP** and **RAMP** are **Central Sector Schemes** (100% Union funded).
- **Framework:** It is an **umbrella framework** consolidating multiple flagship initiatives (e.g., PM Vishwakarma, CGTMSE).

#### Aims, Objectives & Features



- **Strategic Aims:** Transform MSMEs into global "**Champion MSMEs**" and integrate them into [Global Value Chains](#).
- **Core Objectives:** Job creation in rural areas, export promotion, and bridging regional development imbalances.
- **Key Features:**
  - **Unified Registration:** The [Udyam Portal](#) provides a single-window paperless registration.
  - **Delayed Payment Protection:** Mandatory payments within **45 days**.
  - **Procurement Mandate:** 25% of annual procurement by Central Ministries/CPSEs must come from [MSEs](#).

#### Funding Mechanisms

- **Credit Guarantee:** CGTMSE provides collateral-free guarantees up to ₹10 Crore.
- **Equity Support:** A ₹10,000 Crore **SME Growth Fund** and a top-up for the **Self-Reliant India (SRI) Fund** provide risk capital.
- **Liquidity:** [TReDS](#) reform allows securitization of receivables to improve working capital.

#### Status & Achievements (2026)

- **Growth:** Over **1 Crore registered MSMEs** employing ~7.5 Crore people.
- **Economic Impact:** Contributes **31.1% to GDP** and **48.6% to exports**.
- **Digitalization:** Onboarding of 5 lakh MSMEs onto the [TEAM Initiative](#) for e-commerce integration.

#### Criticisms

- **Delayed Payments:** Despite the 45-day rule, MSMEs often face severe liquidity crunches due to [payment delays from larger corporates](#).
- **Credit Gap:** Transitioning from asset-based to **cash-flow-based lending** is slow, leaving many units capital-starved.
- **Implementation:** Impact depends heavily on [MSME awareness](#) and the digital literacy required for portals like GST and TReDS

#### 6. Enhanced Credit Guarantee:

As of May 2026, the **Enhanced Credit Guarantee** framework primarily refers to the significant 2025-26 updates to the **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)** and the newly launched **Credit Guarantee Scheme for Microfinance Institutions-2.0 (CGSMFI-2.0)**.

#### Aims and Objectives

- **Collateral-Free Credit:** Facilitate easy access to finance for Micro and Small Enterprises (MSEs) without requiring third-party collateral.
- **Liquidity Support:** Infuse liquidity into the microfinance sector to ensure an uninterrupted flow of credit to small borrowers.



- **Risk Mitigation:** Provide a financial cushion for lenders to encourage credit delivery to sectors often considered high-risk, such as startups and small MFIs.

### Funding Mechanism

- **Corpus-Based:** Funded through a corpus contributed by the Government of India and **SIDBI** (in a 4:1 ratio for CGTMSE).
- **Guarantee Fees:** Revenue is generated via a nominal annual guarantee fee, which was moderated in 2025-26 to as low as **0.37% p.a.** for certain MSE categories and **1%** for specific focus sectors.
- **Budgetary Infusions:** The government periodically infuses additional capital, such as the ₹9,000 crore infusion in late 2025 to enable ₹2 lakh crore in additional credit.

### Key Features (2026 Updates)

- **Increased Ceilings:**
  - **MSEs:** Guarantee ceiling doubled from ₹5 crore to **₹10 crore**.
  - **Startups:** Limit increased from ₹10 crore to **₹20 crore**.
  - **Exporters:** Well-run exporter MSMEs can now access term loan guarantees up to **₹20 crore**.
- **High Coverage:** Coverage extends up to **85%** for women-led enterprises and up to **90%** for specific loan categories under the updated CGS.
- **CGSMFI-2.0:** A specialized ₹20,000 crore framework launched in March 2026 to support Non-Banking Financial Company-Microfinance Institutions (NBFC-MFIs).

### Administrative Structure

- **Ministry:** Ministry of Micro, Small and Medium Enterprises (**MSME**) and Ministry of Finance (**Department of Financial Services**).
- **Implementing Agency:** Jointly implemented through **CGTMSE** (for MSEs) and the **National Credit Guarantee Trustee Company Limited (NCGTC)** for newer frameworks like CGSMFI-2.0 and the Startup scheme.
- **Classification:** It is a **Central Sector Scheme**, as it is 100% funded by the Union Government and its nodal agencies.
- **Scheme Type:** It functions as an **Umbrella Scheme**, covering various sub-components including credit for exporters, startups, and women entrepreneurs.

### Achievements (As of 2026)

- **Credit Volume:** Facilitated an additional **₹1.5 lakh crore** in credit over the 2025-2026 period due to enhanced ceilings.
- **Financial Inclusion:** Successfully provided guarantee cover to over **72.59 lakh** guarantees since inception, with a specific focus on reaching **15 lakh+ women-owned** MSEs.
- **MFI Reach:** The CGSMFI-2.0 is estimated to support approximately **36 lakh small borrowers** at the bottom of the economic pyramid.



## Criticisms and Challenges

- **Bank Caution:** Despite government guarantees, banks remain hesitant to lend to lower-rated or "stressed" MFIs, often prioritizing only investment-grade entities.
- **Underwriting Standards:** Critics argue that guarantees do not automatically translate to loan access because lenders still apply strict traditional underwriting policies, potentially excluding the most vulnerable small businesses.
- **Delayed Benefit for Smallest Players:** Some smaller MFIs struggle with liquidity because the scheme's benefits often gravitate toward larger, more stable institutions first

## 7. Micro Enterprise Credit Cards:

. The **Credit Card Scheme for Micro Enterprises (CCME)**, often referred to as the **ME-Card**, was introduced in the **Union Budget 2025–26** to provide seamless credit to India's smallest businesses.

## Core Identity and Governance

- **Ministry:** Under the **Ministry of Micro, Small and Medium Enterprises (MSME)**.
- **Implementing Agency:** Implemented by various **banks and financial institutions**, with **SIDBI** (Small Industries Development Bank of India) and the **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)** providing critical backing.
- **Scheme Type:** It is a **Central Sector Scheme**, meaning it is 100% funded and managed by the Central Government.
- **Status:** It functions as a **flagship initiative** specifically designed for the micro-segment of the MSME umbrella.

## Aims and Objectives

- **Working Capital Access:** Provide Udyam-registered micro enterprises with faster, easier access to credit for daily operational costs.
- **Digital Transformation:** Promote digital transactions to create a "data trail" that helps assess future credit needs.
- **Financial Inclusion:** Bridge the gap for first-time borrowers who often lack collateral.
- **Reduce Borrowing Costs:** Offer a lower-cost alternative to traditional high-interest business credit cards.

## Key Features

- **Credit Limit:** A dedicated limit of up to **₹5 lakh** per card.
- **Eligibility:** Exclusively for **Udyam-registered micro enterprises**.
- **Interest-Free Period:** Typically offers **15 to 30 days** of interest-free credit (similar to consumer cards).
- **Collateral-Free:** Leverages the **CGTMSE** guarantee, removing the need for physical assets as security.

## Funding Mechanism



- The scheme utilizes the **Credit Guarantee Fund**, which was significantly bolstered as of 2025-26.
- The government **doubled the guarantee cover** for micro and small enterprises from ₹5 crore to **₹10 crore** effective April 1, 2025, to encourage banks to lend more freely.
- Borrowing costs are aimed to be **halved** compared to standard market rates due to these government-backed guarantees.

### 2026 Update & Achievements

- **Target Met:** The government aimed to issue **1 million (10 lakh) cards** in the first year of rollout.
- **Expanded Coverage:** By early 2026, over **1,778 guarantees** totaling **₹12,498 crore** were approved specifically for enterprises in the newly expanded ₹5–₹10 crore slab.
- **Digital Footprint:** Significant rise in Udyam registrations, as it became a mandatory prerequisite for the card.

### Criticisms

- **Debt Risks:** Easy access to credit for very small firms could lead to over-leverage and **debt accumulation** if not managed properly.
- **Interest Spikes:** While the initial period is interest-free, the **interest rates after the grace period** can still be high relative to long-term term loans.
- **Banking Red Tape:** Despite the "digital-first" aim, critics argue that individual bank **internal credit assessments** still slow down approvals for the most vulnerable micro-units

### 8. Scheme for First-time Entrepreneurs:

The primary scheme specifically designed to support first-time (first-generation) entrepreneurs in India is the **Prime Minister's Employment Generation Programme (PMEGP)**. Another major initiative often targeting new ventures is **Startup India**, which focuses on high-innovation "greenfield" projects.

Below is the detailed breakdown of **PMEGP**, updated for 2026:

#### 1. Aims and Objectives

- **Self-Employment:** To promote self-employment by assisting first-time entrepreneurs in setting up micro-enterprises.
- **Job Creation:** To generate sustainable employment opportunities in both rural and urban areas for unemployed youth and traditional artisans.
- **Credit Flow:** To facilitate increased credit flow from financial institutions to the micro-sector.

#### 2. Governance and Type

- **Ministry:** [Ministry of Micro, Small and Medium Enterprises \(MSME\)](#).



- **Implementing Agency:** Khadi and Village Industries Commission (KVIC) acts as the single nodal agency at the national level.
- **Scheme Type:** It is a **Central Sector Scheme**, meaning it is 100% funded by the Union Government.
- **Category:** It is a **Flagship Scheme** of the MSME Ministry.

### 3. Funding Mechanism & Features

The scheme provides a **credit-linked subsidy** where the government pays a portion of the project cost as "Margin Money".

- **Project Limits:** Up to **₹50 Lakh** for manufacturing and **₹20 Lakh** for service sectors.
- **Subsidy Rates:**
  - **General Category:** 15% (Urban) to 25% (Rural).
  - **Special Categories (SC/ST/Women/Minorities):** 25% (Urban) to 35% (Rural).
- **Collateral:** No collateral security is required for projects up to **₹10 Lakh**.
- **Eligibility:** Any individual above 18 years old. For projects above ₹10L (manufacturing) or ₹5L (service), an 8th-standard pass is required.

### 4. Status and Achievements (As of 2026)

- **Enterprise Support:** Since its inception, over **10.71 lakh micro-enterprises** have been assisted as of early 2026.
- **Employment:** It has generated estimated employment for more than **87 lakh people**.
- **Financials:** Nearly **₹29,249 crore** has been disbursed in margin money subsidies up to the FY 2025-26 cycle.
- **Inclusivity:** Women account for approximately **40%** of assisted units, and **54%** of beneficiaries belong to SC/ST/OBC categories.

### 5. Criticism and Challenges

- **Low Disbursement:** Despite high sanction rates, actual disbursement is sometimes delayed due to bank-level risk aversion and demands for collateral despite the "collateral-free" policy for smaller loans.
- **Complex Documentation:** New entrepreneurs often find the digital and physical paperwork for subsidy claims through KVIC and banks cumbersome.
- **Regional Imbalance:** A significant portion of the units are concentrated in specific states, leading to calls for better outreach in underserved regions



## 9. Self-Reliant India (SRI) Fund Top-up:

The **Self-Reliant India (SRI) Fund** is a **Central Sector Scheme** established in 2021 as a part of the [Atmanirbhar Bharat Abhiyan](#). It is a **flagship equity-infusion scheme** aimed at providing growth capital to Micro, Small, and Medium Enterprises (MSMEs).

### Aims and Objectives

- **Scale MSMEs:** Support MSMEs to graduate beyond their current size and become "National and International Champions".
- **Equity Infusion:** Address the shortage of growth capital by providing equity and quasi-equity instead of traditional debt.
- **Job Creation:** Ignite economic growth and create significant employment opportunities.
- **Self-Reliance:** Support units producing relevant technologies, goods, and services to reduce import dependence.
- **Stock Listing:** Encourage MSMEs to list on stock exchanges for better transparency and capital access.

### Update 2026: The "Top-up"

In the **Union Budget 2026-27**, the government announced a **₹2,000 crore top-up** for the SRI Fund.  
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- This infusion is part of a "three-pronged approach" to champion MSMEs, focusing specifically on ensuring **micro-enterprises** maintain access to risk capital amidst global economic uncertainties.

### Structure and Mechanism

The fund follows a "**Mother-Fund**" and "**Daughter-Fund**" structure:

- **Mother Fund:** The main fund anchored by the government.
- **Daughter Funds:** SEBI-registered Category I and II [Alternative Investment Funds \(AIFs\)](#) that receive capital from the Mother Fund.
- **Leverage:** Daughter Funds are required to invest at least **5 times** the capital received from the SRI Fund into MSMEs.
- **Total Corpus:** Initially planned at **₹50,000 crore** (₹10,000 crore from Government + ₹40,000 crore from private PE/VC funds).

### Key Features & Administration

- **Ministry:** [Ministry of Micro, Small & Medium Enterprises \(MoMSME\)](#).



- **Implementing Agency:** NSIC Venture Capital Fund Limited (NVCFL), a 100% subsidiary of the National Small Industries Corporation (NSIC).
- **Nature: Central Sector Scheme** (100% funded and managed by the Central Government, no fund release to States).

#### **Achievements (As of early 2026)**

- **MSMEs Assisted:** Approximately **732 MSMEs** have benefited from the fund since inception.
- **Capital Infused:** As of March 31, 2026, the Government of India's direct contribution utilized stands at **₹2,627 crore**.
- **Fund Leverage:** For every ₹1 of government contribution, private sector daughter funds have shown high participation (some reports suggest a ratio of up to 1:7).
- **Empanelled Funds:** Around **69 Daughter Funds** have been empanelled to distribute capital as of late 2025.

#### **Criticism & Challenges**

- **Limited Awareness:** Many small units remain unaware of the application process, which is indirect (through AIFs).
- **Focus on Scalability:** Only MSMEs with high growth potential and specific "Champion" traits qualify, often excluding traditional or struggling lifestyle businesses.
- **Complex Process:** The average processing time from proposal to disbursement is approximately **6 to 9 months**, which can be too slow for some businesses.
- **Manager Discretion:** Final investment decisions lie with the fund managers of Daughter Funds, which may lead to a bias toward tech-heavy or urban-centric startups

### **10. The Indian Footwear and Leather Development Programme (IFLDP):**

The **Indian Footwear and Leather Development Programme (IFLDP)** is the primary umbrella scheme for the leather and footwear sector, currently approved for implementation until **March 31, 2026**.

#### **1. Scheme Profile**

- **Ministry:** [Ministry of Commerce and Industry](#).
- **Department:** Department for Promotion of Industry and Internal Trade (DPIIT).
- **Classification:** It is a **Central Sector Scheme** (100% funded by the Union Government).
- **Type:** An **Umbrella Scheme** comprising six distinct sub-schemes.



- **Implementing Agencies:** Multiple Project Implementing Units (PIUs) including the Footwear Design and Development Institute (FDDI) and CSIR-Central Leather Research Institute (CLRI).

## 2. Aims and Objectives

The programme's core mission is to modernize the Indian leather industry to reach a turnover of **\$50 Billion by 2030**.

- **Infrastructure:** Developing world-class production clusters and integrated supply chains.
- **Environment:** Addressing specific environmental concerns through sustainable technologies.
- **Investment & Growth:** Facilitating additional investments, technology upgradation, and capacity expansion.
- **Employment:** Generating quality jobs, particularly for women who constitute roughly 30% of the workforce.

## 3. Sub-Schemes & Funding Mechanisms

Total approved outlay for 2021–2026 is **₹1,700 crore**.

**Sustainable Technology and Environmental Promotion (STEP):** Up to 70% assistance for effluent treatment plants (80% in NE areas), capped at ₹200 crore.

- **Integrated Development of Leather Sector (IDLS):** 30% assistance for MSMEs and 20% for others for modernization/capacity expansion.
- **Mega Leather Footwear and Accessories Cluster Development (MLFACD):** 50% project cost assistance (70% in NE), capped at ₹125 crore.
- **Establishment of Institutional Facilities (EIF):** One-time grants for upgrading FDDI campuses into Centres of Excellence.
- **Brand Promotion & Design Studios:** 50% assistance (capped at ₹3–10 crore) to promote Indian brands globally and set up 10 design studios.

## 4. 2026 Update & Status

- **Portal Closure:** Due to the upcoming expiry of the current tenure and limited funds, the [National Single Window System \(NSWS\)](#) portal for most sub-schemes closed in **July 2025**, with only the IDLS sub-scheme accepting late applications through early 2026.
- **New 'Focus Product Scheme':** As of early 2025, the government proposed a new focus scheme specifically for **non-leather quality footwear** to diversify production and reach a turnover target of ₹4 lakh crore.

## 5. Achievements and Criticisms

### Achievements

### Criticisms



**Global Standing:** India is now the 2nd largest producer of footwear and leather garments globally.

**Slow Take-off:** Some sub-schemes, like Brand Promotion, faced delays in 2022 because designated evaluation agencies were not initially appointed.

**Training:** Thousands have received primary skill training with high placement rates.

**Funding Gaps:** Critics note that actual spending sometimes lags behind allocated outlays, leading to earlier portal closures.

**Sustainability:** Adoption of zero-liquid discharge and eco-friendly tanning in major clusters like Tamil Nadu.

**MSME Barriers:** High compliance and technology costs remain a hurdle for very small traditional units despite subsidies

**11. Textiles & Toy Sector:** Integrated programmes for textiles and innovation-based manufacturing clusters for the toy industry to boost "Made in India".

As of May 2026, the **Textiles** and **Toy** sectors are major pillars of India's industrial policy. The government manages these through two separate but complementary frameworks: the **Ministry of Textiles** and the **National Action Plan for Toys (NAPT)**, overseen by multiple ministries including Commerce & Industry and MSME.

### 1. Textiles Sector (Flagship Schemes 2026)

The textile sector is governed by an **Umbrella Scheme** known as the **Integrated Programme for the Textile Sector**, which consolidates major initiatives.

Feature	PM MITRA (Parks)	PLI for Textiles
<b>Aims &amp; Objectives</b>	Create world-class infrastructure to reduce logistics costs and house the entire value chain (Farm-to-Foreign).	Boost large-scale manufacturing in Man-Made Fibre (MMF) and Technical Textiles to enhance global competitiveness.
<b>Funding Mechanism</b>	<b>Central Sector Scheme.</b> Provides Development Capital Support (DCS) @30% (max ₹500 Cr for Greenfield).	<b>Central Sector Scheme.</b> Budgetary outlay of <b>₹10,683 crore</b> for incentives over 5 years (FY 2025-26 to FY 2029-30).



<b>Ministry</b>	Ministry of Textiles.	Ministry of Textiles.
<b>Implementing Agency</b>	<b>Special Purpose Vehicle (SPV)</b> owned by Central and State Governments (49:51 equity).	Ministry of Textiles (with a dedicated Project Management Agency).
<b>Type</b>	<b>Flagship</b> , Central Sector.	<b>Flagship</b> , Central Sector.

### 2026 Updates & Achievements:

- **PM MITRA Progress:** Seven mega parks (Tamil Nadu, Telangana, Gujarat, Karnataka, MP, UP, and Maharashtra) are in the execution phase. Tamil Nadu's park alone secured **₹2,192 crore** in investments by February 2026.
- **PLI Round 3:** Launched in early 2026, lowering investment thresholds by **50%** (now ₹50 crore for Part 2) to attract smaller players.
- **Samarth 2.0:** Upgraded skilling programme for modernised training launched in the 2026-27 Budget.

### 2. Toy Sector (National Action Plan for Toys)

The toy sector is not a single scheme but a coordinated **National Action Plan for Toys (NAPT)** involving 14 ministries.

- **Aims & Objectives:** To make India a global toy hub, reduce import dependency, and promote traditional indigenous toys.
- **Funding Mechanism:** Driven by **cluster development** and **M-SIPS** (Modified Special Incentive Package Scheme) for electronics in toys.
- **Implementing Agency:** Primarily **Department for Promotion of Industry and Internal Trade (DPIIT)** under the Ministry of Commerce & Industry, alongside the **Ministry of MSME**.
- **Status:** It functions as an **Umbrella framework** with a mix of central sector components (like PLI for high-end toys) and state-led cluster development.

### 2026 Updates & Achievements:

- **Import Reduction:** As of 2026, toy imports have fallen by nearly **70%** compared to 2014 levels due to hiked Customs Duty (70%).
- **Quality Control:** Mandatory **BIS certification** for all toy imports and domestic manufacturing has significantly improved safety standards.



- **Toy Clusters:** Development of mega toy clusters in Karnataka (Koppal) and Uttar Pradesh (Noida) has reached full operational capacity.

### 3. General Criticism (Textiles & Toys)

- **Underutilization of Funds:** Critics argue that initial allocations for PM MITRA (only ₹200 cr initially out of ₹4,445 cr) were too slow, delaying project completion.
- **MMF Dependency:** Despite the PLI push, India's textile sector remains heavily cotton-reliant, making it hard to compete with China in the high-growth Man-Made Fibre (MMF) market.
- **SME Exclusion:** Initial high investment thresholds in PLI (₹100cr+) were criticized for excluding the MSMEs that form the backbone of the Indian toy and textile sectors; however, the **2026 amendments** aim to fix this

### 12. Nuclear Energy Mission:

The **Nuclear Energy Mission (NEM)** was officially announced in the Union Budget 2025-26 as a major policy shift to scale India's nuclear capacity for its "Viksit Bharat" 2047 vision. As of May 2026, it serves as the cornerstone for India's transition to a low-carbon economy.

#### Overview and Objectives

The mission aims to achieve **100 GW of nuclear power capacity by 2047**.

- **Primary Aim:** Research, design, and deployment of **Small Modular Reactors (SMRs)** and Bharat Small Reactors (BSRs).
- **Key Target:** Operationalizing at least **five indigenously designed SMRs by 2033**.
- **Wider Goal:** Replace retiring coal-based thermal plants and provide captive power for energy-intensive industries (e.g., steel and aluminium).

#### Governance and Implementation

- **Ministry:** Under the **Department of Atomic Energy (DAE)**, which is under the direct charge of the **Prime Minister**.
- **Implementing Agency:** Primarily the **Nuclear Power Corporation of India Limited (NPCIL)** and **BHAVINI**.
- **Scheme Type:** It is a **Central Sector Scheme**, as nuclear energy is under the exclusive legislative domain of the Central Government per the Atomic Energy Act.
- **Classification:** It acts as a **Flagship Mission** within the broader "Viksit Bharat" umbrella strategy.

#### Funding and Features

- **Initial Outlay:** **₹20,000 crore** was allocated in the 2025-26 Budget for SMR R&D.



- **Updated Budget (2026-27):** The DAE allocation was increased to ₹24,124 crore in February 2026 to support rapid capacity expansion.
- **Private Participation:** The mission is supported by the **SHANTI Act (2025/2026)**, which allows private sector involvement in R&D and setting up BSRs for the first time.

### Achievements (Updated May 2026)

- **PFBR Criticality:** On April 6, 2026, the **500 MWe Prototype Fast Breeder Reactor (PFBR)** at Kalpakkam attained criticality, marking the official start of Stage II of India's three-stage nuclear programme.
- **BSR Scaling:** NPCIL issued RFPs to private industries to build 220 MW-PHWR based "Bharat Small Reactors" as captive plants.
- **International Breakthrough:** The SHANTI Act resolved civil liability impasses, restarting progress on major foreign-collaborative projects like Jaitapur and Kovvada.
- **Capacity Status:** Installed capacity rose from 8,180 MW in early 2025 toward a verified target of 22,480 MW by 2031-32.

### Criticism and Challenges

- **High Capital Costs:** Achieving 100 GW by 2047 requires an estimated **\$250 billion** in investment, raising concerns about fiscal feasibility.
- **Slow Development Timeline:** The PFBR at Kalpakkam took over 20 years to reach criticality, leading to criticism regarding the pace of indigenous Stage II and Stage III (Thorium) development.
- **Fuel Dependency:** Despite progress, India remains heavily dependent on **imported uranium** due to limited domestic reserves.
- **Land Acquisition & Liability:** Local opposition to large-scale plants and lingering concerns over civil liability compensation, despite legislative updates, continue to cause project delays

### 13. Maritime Development Fund:

The **Maritime Development Fund (MDF)** is a dedicated strategic financial vehicle established in **2025** to revitalize India's maritime sector, specifically focusing on shipbuilding, repair, and overall infrastructure development.

#### Overview as of May 2026

- **Ministry:** [Ministry of Ports, Shipping and Waterways \(MoPSW\)](#).



- **Implementing Agency:** [Sagarmala Finance Corporation Ltd \(SFCL\)](#), a specialized Non-Banking Financial Company (NBFC) for the maritime sector. Fund managers include **NaBFID** and **IIFCL**.
- **Scheme Type:** It is a **Central Sector Scheme** (funded and implemented primarily by the Union Government).
- **Categorization:** It functions as a **Flagship initiative** under the broader [Maritime Amrit Kaal Vision 2047](#) and complements the **Sagarmala Programme**.

### Aims and Objectives

- **Global Standing:** Position India among the **top five global shipbuilding nations** by 2047.
- **Trade Capacity:** Increase India's share of global shipping tonnage from 2% to **5%**.
- **Self-Reliance:** Reduce dependence on foreign shipping fleets, which cost India over \$100 billion in annual freight payments.
- **Logistics:** Modernize ports and inland waterways to reduce overall logistics costs for the economy.

### Funding Mechanism & Features

The MDF has a planned corpus of **₹25,000 crore** to be utilized over 10 years (2026–2036). It operates via two main components:

1. **Maritime Investment Fund (MIF):** A **₹20,000 crore** equity-based fund with a blended finance model (49% government, 51% from ports, sovereign funds, and private investors).
2. **Interest Incentivization Fund (IIF):** A **₹5,000 crore** fund designed to lower the effective cost of debt for maritime projects through interest subsidies.
3. **Long-Term Financing:** Provides affordable, long-duration capital tailored to the high-gestation nature of maritime projects.

### Achievements (by May 2026)

- **Lending Commencement:** Sagarmala Finance Corporation (SFCL) began active lending operations in late 2025/early 2026.
- **Budgetary Infusion:** Received a fresh **₹1,000 crore** allocation in the Union Budget 2026 to accelerate immediate projects.
- **Greenfield Ports:** Sanctioned **₹37 billion** for two new greenfield ports in Andhra Pradesh.
- **Shipbuilding Clusters:** Initiated development of mega-shipbuilding clusters projected to unlock 4.5 million Gross Tonnage of capacity.

### Criticisms and Challenges



- **Implementation Gaps:** Analysts have raised concerns over the speed of fund disbursement and whether it can effectively close the massive \$18 billion financing gap needed for global parity.
- **Private Participation:** The success of the 51% private/institutional investment target for the MIF component remains under scrutiny, as it depends on market appetite for long-gestation maritime risks.
- **Lower Traditional Allocations:** Some industry observers noted a slight decrease in direct allocations for the older **Sagarmala** scheme in the 2026 budget, shifting focus heavily toward the new MDF

#### 14. PM GatiShakti:

Launched on October 13, 2021, **PM GatiShakti National Master Plan (NMP)** is a digital platform designed to break departmental silos and ensure integrated planning and synchronized implementation of infrastructure projects across India.

##### Core Details

- **Ministry:** **Ministry of Commerce and Industry** (Logistics Division, Department for Promotion of Industry and Internal Trade - DPIIT).
- **Implementing Agency:** **Logistics Division of DPIIT**, with technical support from the Bhaskaracharya National Institute for Space Applications and Geo-informatics (BISAG-N).
- **Nature of Scheme:** It is a **Central Sector Scheme** but functions as a **Flagship Umbrella Scheme**. It integrates existing infrastructure initiatives like Bharatmala, Sagarmala, and UDAN.
- **Funding Mechanism:** Supported by a **₹100 lakh crore** investment initiative. The Central Government also provides interest-free 50-year loans to States (e.g., ₹5,000 crore earmarked specifically for GatiShakti projects) to encourage adoption.

##### Aims & Objectives

- **Reduce Logistics Costs:** Aiming to lower India's logistics costs from 13–14% of GDP to the global standard of 8%.
- **Integrated Planning:** To bring 27+ Central Ministries and all States/UTs onto a single GIS-based platform to prevent disjointed planning (e.g., a road being dug up shortly after construction to lay cables).
- **Multimodal Connectivity:** Ensuring seamless movement of people and goods through "7 Engines": Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure.
- **Aatmanirbhar Bharat:** Strengthening supply chains to boost global competitiveness and achieve a \$5 trillion economy.



## Key Features

- **Digital Master Plan:** A GIS-powered portal with over **1,600+ data layers** (forests, railways, existing roads, etc.) for real-time planning.
- **Three-Tier Institutional Framework:**
  1. **Empowered Group of Secretaries (EGoS):** Headed by the Cabinet Secretary for oversight.
  2. **Network Planning Group (NPG):** Heads of planning divisions of various ministries.
  3. **Technical Support Unit (TSU):** Experts providing domain knowledge.
- **Data-Driven Decision Making:** Uses spatial planning tools to identify the most cost-effective and environmentally friendly routes.

## 2026 Update & Achievements

As of early 2026, the scheme has moved from purely infrastructure to incorporating "Social Infrastructure" and opening access to the private sector.

- **Project Evaluation:** Evaluated over **350 big-ticket projects** worth approximately **₹16.10 lakh crore** through the NPG mechanism.
- **Digital Reach:** Successfully onboarded all 36 States/UTs and 44 Central Ministries.
- **Efficiency Gains:** Reduced "No Objection Certificate" (NOC) requirements in some projects from 28 down to 13 by using pre-mapped data.
- **Social Sector:** Now used for mapping primary healthcare centers, schools, and Anganwadis to ensure they are connected to all-weather roads.
- **Global Rank:** Contributed to India's jump in the World Bank's Logistics Performance Index (Rank 38 in 2023).

## Criticisms & Challenges

- **Land Acquisition:** Remains the biggest bottleneck; despite digital mapping, physical acquisition is still slowed by legal and emotional hurdles.
- **Data Latency:** While the portal exists, some departments fail to update their data layers regularly, leading to "operational data gaps".
- **Inter-Ministerial Resistance:** Deep-rooted bureaucratic silos still hinder seamless data sharing in some sectors.
- **State-Level Capacity:** While major states are performing well, many municipal and local bodies lack the technical skill to use GIS-based analytics.
- **Private Participation:** Private sector investment in infrastructure projects remains "muted" compared to government spending



## 15. Urban Challenge Fund:

The **Urban Challenge Fund (UCF)** is a major **Centrally Sponsored Scheme** launched to revolutionise urban infrastructure by shifting from traditional grant-based funding to market-linked, reform-driven investment.

### Overview (As of 2026)

- **Ministry:** [Ministry of Housing and Urban Affairs \(MoHUA\)](#).
- **Implementing Agency:** [Ministry of Housing and Urban Affairs \(MoHUA\)](#) in collaboration with States and Urban Local Bodies (ULBs).
- **Scheme Type:** **Centrally Sponsored Scheme (CSS)**.
- **Status:** Flagship initiative announced in Budget 2025-26 and operationalised in early 2026.
- **Timeline:** Initially from **FY 2025-26 to FY 2030-31**, extendable up to FY 2033-34.

### Aims and Objectives

The primary goal is to support "bankable" urban infrastructure projects that can attract private capital.

- **Mobilise Market Capital:** Reduce reliance on public grants by leveraging municipal bonds and private investment.
- **Urban Growth Hubs:** Transform cities into economically vibrant centres with focus on transit-oriented development and economic corridors.
- **Sustainability & Resilience:** Build climate-responsive infrastructure, including enhanced water supply, sanitation, and waste management.
- **Governance Reforms:** Incentivise ULBs to improve financial discipline, digital governance, and urban planning.

### Funding Mechanism & Features

The fund uses a "**Challenge Mode**" selection process, where cities compete for funds based on project feasibility and reform commitment.

- **Outlay:** Central Assistance of **₹1,00,000 crore**, aimed at catalysing a total investment of **₹4,00,000 crore**.
- **Cost Sharing:**
  - **25%:** Central Government Assistance.
  - **At least 50%:** Mobilised from market sources (e.g., [Municipal Bonds](#), Bank Loans, PPPs).
  - **Remaining 25%:** Contributed by States, UTs, or ULBs.
- **Sub-Schemes:**
  - **Credit Repayment Guarantee Sub-Scheme (CRGSS):** A ₹5,000 crore corpus to help smaller (Tier-II/III) cities access loans by providing guarantees.



- **Project Preparation & Capacity Building:** ₹5,000 crore earmarked for technical support to make cities investment-ready.

### Status Update & Achievements (2026)

- **Operational Guidelines:** Released in **April 2026** by the Union Minister Manohar Lal.
- **Fund Flow:** Disbursement to cities is scheduled to begin in **September 2026** following project reviews.
- **Early Milestones:** Several states (e.g., Madhya Pradesh, Gujarat, Odisha) have already committed to the framework via MoUs.
- **Digital Integration:** Launch of an **e-directory** linking cities with financial institutions and credit rating agencies to facilitate deal-making.

### Criticism and Challenges

- **Limited Capacity of ULBs:** Critics argue many smaller municipalities lack the financial literacy or credit rating to attract market funding, despite the CRGSS.
- **Project Selection Complexity:** The "challenge-mode" might favour already developed cities with better resources, potentially widening the gap between advanced and struggling urban areas.
- **Execution Risk:** Relying on private participation (at least 50%) is ambitious; if market appetite for municipal bonds remains low, projects may stall

### 16. High-Speed Rail Corridors:

As of May 2026, the **High-Speed Rail (HSR) Corridors** in India have transitioned from a single-project focus to a multi-corridor strategic framework. The [Union Budget 2026-27](#) formally announced **seven new high-speed rail corridors** to act as "growth connectors" for a *Viksit Bharat*.

PIB +1

### Core Framework & Administration

- **Ministry:** Under the [Ministry of Railways](#).
- **Implementing Agency:** **National High Speed Rail Corporation Limited (NHSRCL)**, a Special Purpose Vehicle (SPV).
- **Scheme Type:** These are **Central Sector Projects**. While the SPV (NHSRCL) includes equity participation from states (e.g., Gujarat and Maharashtra at 25% each), the primary funding and direction come from the Central Government.
- **Classification:** It is considered a **Flagship Infrastructure Initiative** within the National Rail Plan.



## Aims & Objectives

- **Time Reduction:** Significantly cut travel time (e.g., [Delhi to Varanasi in ~3 hours 50 mins](#)).
- **Economic Integration:** Link "City Economic Regions" to foster regional development and job creation.
- **Sustainability:** Promote energy-efficient, low-carbon transport to reduce reliance on road and air travel.

## Funding Mechanism

- **Primary Source:** Large-scale Official Development Assistance (ODA) loans. For the first project, the **Japan International Cooperation Agency (JICA)** provides 81% of the cost at a 0.1% interest rate over 50 years.
- **Domestic Capital:** Equity from the Ministry of Railways and participating state governments.
- **2026-27 Allocation:** A record capital outlay of ₹2,78,000 crore for Indian Railways supports these high-speed expansions.

## Key Corridors (Updated 2026 List)

The [2026 Budget](#) includes these routes (Total ~4,000 km):

1. **Mumbai–Ahmedabad:** (Under construction, expected trial runs mid-2026).
2. **Delhi–Varanasi**
3. **Mumbai–Pune**
4. **Pune–Hyderabad**
5. **Hyderabad–Bengaluru**
6. **Hyderabad–Chennai**
7. **Chennai–Bengaluru**
8. **Varanasi–Siliguri** (First for Eastern India).

## Achievements & Criticism (as of May 2026)

### Achievements

**Land Acquisition:** 100% land acquired for the Mumbai-Ahmedabad corridor.

**Infrastructure:** Completion of several major bridges and undersea tunnel contracts.

**Tech Transfer:** Launch of the HSR Training Institute

### Criticisms

**Cost Concerns:** High initial construction costs (~₹1.08 lakh crore for one corridor).

**Project Delays:** Early phases faced significant delays due to political shifts in state governments.

**Equity:** Critics argue funds could be prioritized for



in Vadodara to build local expertise.

upgrading existing safety (Kavach) and general coaches.

**Detailed Project Reports (DPRs)** for six of these new corridors have already been submitted as of 2026, with the Varanasi-Siliguri report expected by early 2027.

## 17. Research, Development, and Innovation (RDI) Scheme

As of May 2026, the primary vehicle for deep tech and private sector R&D is the **Research, Development, and Innovation (RDI) Scheme** (often referred to as the ₹1 Lakh Crore RDI Fund), complemented by the **Startup India Fund of Funds 2.0**.

### 1. Key Scheme: Research, Development, and Innovation (RDI) Scheme

Approved by the Union Cabinet in July 2025, this is a **Central Sector Scheme** designed to catalyze large-scale private sector investment in research.

- **Aims & Objectives:**

- To incentivize the private sector to invest in basic and applied research for innovative products.
- To achieve technological self-reliance in strategic areas like quantum computing, AI, and biomanufacturing.

- **Funding Mechanism:** It provides **long-term, low or zero-interest financing** and equity support with a total outlay of **₹1 lakh crore** over six years (2025–2031).

- **Implementing Agency:** Operationalized through a **Special Purpose Fund (SPF)** under the Anusandhan National Research Foundation (ANRF).

- **Nodal Ministry:** [Ministry of Science & Technology](#) (specifically the Department of Science & Technology).

- **Classification:** It is a **Central Sector Scheme** and acts as an **umbrella initiative** for deep tech R&D financing.

### 2. Deep Tech Fund of Funds (FoF 2.0)

Launched in April 2026, **Startup India Fund of Funds 2.0** builds on the previous FFS 1.0 but with a specific mandate for deep tech.

- **Corpus:** ₹10,000 crore.

- **Implementing Agency:** SIDBI (Small Industries Development Bank of India) under the Department for Promotion of Industry and Internal Trade (DPIIT).

- **Mechanism:** Indirect investment through **Alternative Investment Funds (AIFs)** which then invest in startups.

### 3. Update as of 2026: Achievements & Progress



- **Operational Tranche:** A tranche of ₹20,000 crore was allocated in the FY 2026-27 budget to begin disbursements.
- **First Call for Proposals:** The government issued the first call for applications in February 2026, focusing on "Sunrise" sectors like semiconductors and climate tech.
- **Legacy Impact:** The previous FFS 1.0 (2016-2025) successfully supported over **1,370 startups** and helped create 100+ unicorns, providing a foundation for the current deep-tech push.

#### 4. Criticisms & Challenges

- **Private Sector Hesitation:** Critics point out that while the government provides capital, the Indian private sector still spends only ~0.7% of GDP on R&D, lagging far behind the US (3.5%) and China (2.4%).
- **"Missing Middle" Funding:** Many hardware-focused deep tech founders report that while early-stage grants are available, capital "thins out" quickly when trying to scale from prototype to commercial production.
- **Adoption Gap:** There is a noted lack of "early adopter culture" among Indian large enterprises, making it hard for local deep tech firms to find first buyers even with government funding.
- **Governance Concerns:** Parliamentary panels have expressed concern that interest-free loans could disproportionately benefit large private entities if monitoring isn't rigorous

#### 18. Plug-and-Play Industrial Parks (Industrial Hubs):

The concept of **Plug-and-Play Industrial Parks** in India has been formalised under the flagship **BHAVYA Scheme** (Bharat Audyogik Vikas Yojana), approved in March 2026. This scheme aims to build 100 industrial hubs where businesses can start operations immediately without delays in land acquisition or infrastructure setup.

##### Overview of the BHAVYA Scheme (2026)

- **Ministry:** Ministry of Commerce & Industry.
- **Implementing Agency:** **National Industrial Corridor Development Corporation (NICDC)** in partnership with state governments and private players.
- **Scheme Type:** **Central Sector Scheme** implemented through a Public-Private Partnership (PPP) model.
- **Classification:** It is a **flagship scheme** designed as a core pillar of the "Viksit Bharat" vision for industrial growth.

##### Aims, Objectives, and Funding



- **Primary Aims:** To create ready-to-use industrial ecosystems that reduce entry barriers for investors and accelerate the "Make in India" initiative.
- **Key Objectives:**
  - Boost manufacturing output and ease of doing business.
  - Generate approximately **15 lakh direct jobs**.
  - Ensure balanced regional growth, particularly in hilly and North-Eastern regions.
- **Funding Mechanism:**
  - Total Outlay: **₹33,660 crore**.
  - Support: Financial assistance of up to **₹1 crore per acre** for internal infrastructure.
  - External Connectivity: Up to **25% of project cost** support for external infrastructure (last-mile access).

### Key Features

- **Infrastructure:** Includes pre-developed internal roads, underground utilities (power/water), drainage, and ICT systems.
- **Ready Facilities:** Pre-built factory sheds, testing labs, warehousing, and integrated worker housing.
- **Streamlined Approvals:** Single-window systems and pre-approved land to enable "intent to production" speed.
- **Sustainability:** Focused on green energy, water reuse, and a "no-dig" environment for efficient maintenance.

### Status and Achievements (as of 2026)

- **Expansion:** The program has scaled from the initial 12 investment-ready parks in 2024 to a target of **100 parks** across all states and UTs.
- **Existing Network:** As of early 2026, there are roughly **306 plug-and-play parks** already in various stages of operation or development across India.
- **Investment Impact:** Similar plug-and-play initiatives (like the PM MITRA parks) have already attracted over **₹42,000 crore** in committed investments.

### Criticism and Challenges

- **Low Occupancy:** Some critics point to "infrastructure without industry," where parks in remote regions struggle to attract tenants due to distance from skilled labour or major markets.
- **Implementation Delays:** Multi-agency coordination has historically led to cost overruns and delays in completing "trunk" infrastructure.
- **Environmental Stress:** Large industrial clusters have faced backlash over groundwater over-extraction and insufficient effluent treatment in water-scarce zones



## 19. Electric Mobility Promotion Scheme (EMPS)

The **Electric Mobility Promotion Scheme 2024 (EMPS)** is a **Central Sector Scheme** under the **Ministry of Heavy Industries (MHI)**. Originally a short-term, fund-limited scheme, it has since been **subsumed into the PM E-DRIVE Scheme**, which serves as the current overarching framework for India's electric mobility transition through March 2026.

### Core Details (As of 2026)

- **Ministry:** Ministry of Heavy Industries (MHI).
- **Implementing Agency:** Ministry of Heavy Industries.
- **Scheme Type:** **Central Sector Scheme** (100% funded by the Union Government).
- **Classification:** Initially a standalone, time-bound scheme, it is now part of the larger **PM E-DRIVE umbrella**.

### Aims and Objectives

- **Faster Adoption:** Accelerate the transition to electric two-wheelers (e-2W) and three-wheelers (e-3W).
- **Manufacturing Ecosystem:** Support the development of a resilient domestic EV manufacturing industry.
- **Environmental Impact:** Reduce dependency on fossil fuels and lower carbon emissions.
- **Public Transport Priority:** Focus on commercial and mass public transportation (e-rickshaws and L5 vehicles).

### Funding & Features

- **Funding Mechanism:** A "fund-limited" and "term-limited" outlay. The final EMPS outlay was enhanced to **₹778 crore** before being integrated into the ₹10,900 crore **PM E-DRIVE** budget.
- **Incentive Structure:**
  - **e-2W:** Up to ₹10,000 per vehicle.
  - **e-3W (Small/Rickshaws):** Up to ₹25,000 per vehicle.
  - **e-3W (Large/L5):** Up to ₹50,000 per vehicle.
- **Phased Manufacturing Programme (PMP):** Incentives are only available for vehicles meeting strict domestic manufacturing and "advanced battery" criteria.

### Achievements (Updated May 2026)

- **Sales Growth:** Under the umbrella of EMPS and its successor PM E-DRIVE, total EV retail sales in India reached **2.45 million units** in fiscal year 2026.
- **Target Completion:** By April 2026, roughly **87% of the e-2W target** had been achieved.
- **Market Maturity:** Over **22 lakh EVs** were sold cumulatively under these promotion schemes by early 2026, indicating a significant shift in consumer sentiment.



## Criticisms

- **Infrastructure Gaps:** Despite high vehicle sales, users report critical shortages in **charging accessibility** at homes and workplaces.
- **Supply Chain Risks:** High dependence on imported minerals (lithium, nickel, cobalt) from China remains a strategic vulnerability.
- **Tax Inconsistencies:** Industry experts criticize the "tax conundrum" where buying an EV attracts 5% GST, but charging it can cost 18%.
- **Financing Obstacles:** High capital costs and a lack of "Priority Sector Lending" status make EV financing difficult for mass-market users

## 20. SME Growth Fund:

The **SME Growth Fund** is a **₹10,000 crore** equity-based initiative introduced in the **Union Budget 2026–27** to create "future champions" by supporting high-potential small and medium enterprises. Unlike traditional debt, it provides **equity or quasi-equity capital**, allowing firms to scale without the immediate pressure of loan repayments.

### Core Details (As of 2026 Update)

- **Ministry:** Under the **Ministry of Micro, Small and Medium Enterprises (MoMSME)**.
- **Implementing Agency:** While specific modalities are being finalised as of March 2026, it is designed to operate alongside the **Self-Reliant India (SRI) Fund** framework, which is managed by **NSIC Venture Capital Fund Limited (NVCFL)**.
- **Scheme Type:** It is a **Central Sector Scheme**, fully funded by the Central Government, and serves as a **flagship initiative** under the government's "Champions" growth strategy.

### Aims and Objectives

- **Scaling High-Potential Firms:** Targeted at growth-stage SMEs that have established operations but need capital to modernise or expand.
- **Global Competitiveness:** Positioning Indian SMEs as global players through performance-based incentives.
- **Filling the "Missing Middle":** Addressing the funding gap for firms too large for micro-loans but too small for massive private equity.
- **Formalisation & Productivity:** Incentivising businesses that adopt digital compliance and show high productivity.



## Key Features & Funding Mechanism

- **Funding Type: Equity/Quasi-equity**, meaning the government takes a stake or provides flexible capital instead of a standard loan.
- **Investment-Driven:** Functions as a professional investment pool rather than a subsidy.
- **Linked Incentives:** Funding is often tied to meeting criteria like **export readiness** and **technology adoption**.
- **Synergy with TReDS:** Works with the Trade Receivables Discounting System (TReDS) to ensure liquidity by mandating faster payments from public sector buyers.

## Achievements & Criticism (2026 Context)

- **Achievements:**
  - **Market Sentiment:** Hailed by financial experts for shifting MSME support from "survival mode" to "growth mode".
  - **Complementary Growth:** Successfully launched alongside a **₹2,000 crore top-up** for the micro-focused SRI Fund, ensuring support across all business sizes.
  - **Incentivising Formalisation:** Early reports suggest more SMEs are registering on formal platforms to qualify for these growth-stage funds.
- **Criticism:**
  - **Complexity for Small Players:** Critics argue the "equity-based" model might be too complex for traditional small business owners who prefer simple debt.
  - **High Entry Barriers:** Performance-based eligibility may exclude many struggling firms that need the capital most but cannot yet prove "champion" potential.
  - **Implementation Speed:** As of early 2026, concerns remain regarding how quickly the ₹10,000 crore can be deployed to businesses on the ground

## 21. PM Vishwakarma Scheme:

The **PM Vishwakarma Scheme**, launched on **17 September 2023**, is a comprehensive central initiative designed to support and modernize traditional artisans and craftspeople who work with their hands and tools.

### Overview & Administrative Framework

- **Aims and Objectives:** To provide end-to-end holistic support to traditional artisans (Vishwakarmas), enhancing their productivity, product quality, and market reach. It specifically focuses on preserving the *Guru-Shishya parampara* (teacher-pupil tradition).



- **Ministry & Agencies:**

- **Nodal Ministry:** [Ministry of Micro, Small & Medium Enterprises \(MSME\)](#).
- **Implementing Partners:** Jointly executed by the **Ministry of MSME**, Ministry of Skill Development and Entrepreneurship (MSDE), and the **Department of Financial Services (DFS)**.
- **Scheme Type:** It is a **Central Sector Scheme** (100% funded by the Union Government) and is considered a **flagship scheme** for the artisan sector.
- **Funding:** A total outlay of **₹13,000 crore** for a five-year period (FY 2023-24 to FY 2027-28).

### Key Features & Benefits

1. **Recognition:** Artisans receive a **PM Vishwakarma Certificate and ID Card**.
2. **Skill Upgradation:** Includes **Basic Training** (5-7 days) and **Advanced Training** (15+ days) with a daily stipend of **₹500**.
3. **Toolkit Incentive:** A grant of **₹15,000** provided via e-vouchers or e-RUPI to purchase modern tools.
4. **Credit Support:** Collateral-free loans at a concessional **5% interest rate**:
  1. **Tranche 1:** Up to ₹1 lakh (18-month tenure).
  2. **Tranche 2:** Up to ₹2 lakh (30-month tenure, available after repaying Tranche 1).

**Digital & Marketing Support:** Incentives for digital transactions (₹1 per transaction) and assistance with branding, e-commerce onboarding, and trade fairs.

### Status & Achievements (as of May 2026)

The scheme has met its initial five-year registration targets well ahead of schedule.

- **Registrations:** Over **30 lakh (3 million)** artisans successfully registered by late 2025.
- **Training:** Approximately **23.97 lakh** beneficiaries have completed basic training.
- **Financial Outreach:** Over **₹5,000 crore** in loans sanctioned and nearly **₹33 crore** in digital incentives disbursed.
- **Toolkits:** More than **15.8 lakh** artisans have received modern toolkit incentives.

### Criticism & Challenges

- **Technology Gap:** Some artisans struggle to transition from traditional manual techniques to the modern, automated tools provided in toolkits.
- **Limited Coverage:** The scheme is currently restricted to **18 identified trades** (e.g., carpenter, potter, blacksmith), leading to calls for expansion to other traditional crafts.
- **Restrictive Eligibility:** Only **one member per family** (defined as husband, wife, and unmarried children) can apply, which may limit the benefits for larger artisan households.



- **Verification Delays:** The rigorous **three-tier verification process** (Gram Panchayat, District, and State levels) has occasionally led to delays in benefit disbursement.

## 22. Pradhan Mantri Mudra Yojana (PMMY) Expansion:

As of May 2026, the **Pradhan Mantri Mudra Yojana (PMMY)** has evolved into a cornerstone of India's financial inclusion strategy, having completed **11 years** of operation. A major expansion in late 2024 increased the maximum loan limit from **₹10 lakh to ₹20 lakh** to support established entrepreneurs.

### Core Overview (2026 Update)

- **Ministry:** Under the **Ministry of Finance** (specifically the Department of Financial Services).
- **Implementing Agency:** **MUDRA Ltd.** (a subsidiary of SIDBI) acts as the nodal agency for refinancing and development.
- **Scheme Type:** It is a **Central Sector Scheme** (100% funded by the Union Government) and is considered a **Flagship Scheme** of the Government of India.
- **Aims & Objectives:** To "Fund the Unfunded" by providing collateral-free credit to non-corporate, non-farm small/micro enterprises to promote self-employment and job creation.

### Expansion & Loan Categories

Loans are classified into four products based on the stage of business growth:

- **Shishu:** Loans up to **₹50,000** (for startups).
- **Kishor:** Loans from **₹50,001 to ₹5 lakh** (for early-stage expansion).
- **Tarun:** Loans from **₹5 lakh to ₹10 lakh** (for established units).
- **Tarun Plus (New):** Loans from **₹10 lakh to ₹20 lakh** for entrepreneurs who have successfully repaid previous Tarun loans.

### Funding Mechanism & Features

- **Lending Model:** MUDRA does not lend directly to individuals. Instead, it provides **refinance support** and credit guarantees to Member Lending Institutions (MLIs) like Public Sector Banks, Private Banks, RRBs, NBFCs, and MFIs.
- **Collateral-Free:** No security is required for these loans.
- **Interest Rates:** Governed by RBI guidelines based on the lender's cost of funds.
- **Digital Integration (2026):** Borrowers can now apply through the [UdyamiMitra Portal](#) or digital systems for faster, paperless processing.



### Achievements (As of March 2026)

- **Massive Outreach:** Over **57.79 crore loans** sanctioned, totaling more than **₹40.07 lakh crore**.
- **Women Empowerment:** Approximately **67%** (two-thirds) of total loans have been granted to women entrepreneurs.
- **Social Equity:** Over **51%** of beneficiaries belong to marginalized communities (SC/ST/OBC).
- **Formalization:** Brought **12 crore+ new entrepreneurs** into the formal banking system for the first time.

### Criticism & Challenges

- **High NPAs:** Concerns persist regarding Non-Performing Assets (NPAs), particularly in the Shishu category, where repayment track records are sometimes weaker than larger commercial loans.
- **Insufficient Loan Sizes:** Critics argue that even with the ₹20 lakh expansion, the limits remain low for scaling modern high-tech micro-industries.
- **Bank Reluctance:** Despite the guarantee, some banks remain hesitant to provide loans without collateral to first-time borrowers without a credit history

### 23. Biopharma SHAKTI Scheme:

The **Biopharma SHAKTI** (*Strategy for Healthcare Advancement through Knowledge, Technology, and Innovation*), introduced in the **Union Budget 2026-27**, is a **flagship Central Sector Scheme** aimed at making India a global leader in high-value biologics and biosimilars.

- **Ministry & Implementation:** Under the Ministry of Chemicals and Fertilizers, it is implemented by the **Biotechnology Industry Research Assistance Council (BIRAC)** in coordination with DBT and ICMR.
- **Aims:** The scheme seeks to achieve **5% of the global biopharmaceutical market share**, improve affordability for NCD treatments, and boost self-reliance.
- **Funding & Features:** With an outlay of **₹10,000 crore over 5 years**, it focuses on upgrading NIPERs, expanding clinical trial sites, and adopting Non-Animal Methodologies (NAMs) to speed up research.
- **Status & Challenges (2026):** Early progress includes upgrading infrastructure and using NAMs to lower development costs. However, challenges include patent litigation, regulatory bottlenecks, and price control impacts on R&D, as documented in studies

### 24. Corpus for Sunrise Domains:



The **Research, Development and Innovation (RDI) Scheme**, commonly referred to as the **Corpus for Sunrise Domains**, was formally approved by the Union Cabinet on July 1, 2025, to catalyze private sector investment in high-impact research.

As of May 2026, the scheme is fully operational with its first call for proposals launched in early 2026.

### Overview of the RDI Scheme

- **Corpus Amount:** ₹1 Lakh Crore (to be utilized over 6 years).
- **Ministry:** Ministry of Science and Technology.
- **Implementing Agency:** Anusandhan National Research Foundation (ANRF).
- **Scheme Type:** Central Sector Scheme.
- **Status:** It is a **flagship scheme** aimed at transforming India's R&D ecosystem.

### Aims and Objectives

The primary goal is to bridge the gap in "patient capital" for high-risk research.

- **Scale Up RDI:** Encourage the private sector to lead research in emerging "sunrise" domains.
- **Commercialization:** Support projects at higher **Technology Readiness Levels (TRL 4 and above)** to move from concept to market.
- **Self-Reliance:** Support the acquisition of critical technologies for national security and economic self-reliance.
- **Deep-Tech Support:** Facilitate the creation of a **Deep-Tech Fund of Funds**.

### Funding Mechanism

The scheme uses a **two-tiered structure**:

1. **Tier 1 (Custodian):** A **Special Purpose Fund (SPF)** established within the ANRF acts as the central custodian.
  2. **Tier 2 (Distribution):** Implementation is handled through **Second Level Fund Managers (SLFMs)** such as:
    1. Alternative Investment Funds (AIFs).
    2. Development Finance Institutions (DFIs).
    3. Institutions like **TDB, BIRAC, and IIT Research Parks**.
- **Financial Terms:** Primarily offers long-tenor (up to 50 years) interest-free or low-interest (2–4%) loans and equity financing for startups.

### Key Features and Sunrise Sectors

- **Sunrise Sectors:** Includes AI, Quantum Computing, Robotics, Space Tech, Green Hydrogen, Biotechnology, and MedTech.
- **Target Entities:** Legal entities engaged in RDI-intensive technology, including registered companies and LLPs.



- **Strategic Oversight:** A Governing Board chaired by the **Prime Minister** and an Empowered Group of Secretaries led by the **Cabinet Secretary**.

### Achievements and Criticisms (As of 2026)

- **Achievements:**
  - **Budget Allocation:** ₹20,000 crore was specifically allocated in the FY 2025–26 budget to kickstart the corpus.
  - **Operationalization:** Finalization of implementation guidelines and special financial rules by March 2026.
  - **Strategic Identification:** Specific sub-sectors like **MedTech** and **Critical Raw Materials** have already been prioritized for funding calls.
- **Criticisms/Challenges:**
  - **Private Participation Risk:** Critics question whether the private sector will take on high-risk research even with low-interest loans, given the high failure rates of TRL 4+ projects.
  - **Complexity:** The two-tiered mechanism involving multiple fund managers may lead to bureaucratic delays in fund disbursement.
  - **Focus Areas:** Some experts argue that focus should be more on basic research (TRL 1-3) rather than just scaling up existing innovations (TRL 4+)

### 25. Scheme for Strengthening of Pharmaceutical Industry (SPI):

The **Scheme for Strengthening of Pharmaceutical Industry (SPI)** is an **Umbrella Scheme** launched to enhance the competitiveness, quality, and sustainability of India's pharmaceutical sector, specifically targeting MSMEs and existing clusters.

#### 1. Key Administration and Classification

- **Ministry:** Ministry of Chemicals and Fertilizers.
- **Implementing Agency:** **SIDBI** (Small Industries Development Bank of India) acts as the Project Management Consultant.
- **Scheme Type:** **Central Sector Scheme** (100% funded by the Union Government).
- **Status:** It is an **Umbrella Scheme** comprising three distinct sub-schemes.

#### 2. Aims and Objectives

The primary goal is to make India a **global leader in the Pharma Sector** by:

- **Infrastructure:** Strengthening existing pharma clusters through common facilities.



- **Quality:** Upgrading MSME production units to meet national (Revised Schedule M) and international (WHO-GMP) regulatory standards.
- **Knowledge:** Promoting awareness and conducting studies to facilitate sector growth.

### 3. Funding Mechanism and Features

- **Total Outlay:** ₹500 Crore for the period FY 2021-22 to FY 2025-26.
- **Sub-Schemes:**
  1. **Assistance to Pharmaceutical Industry for Common Facilities (APICF):** Provides grants for common R&D labs, testing centres, and effluent treatment plants.
    - **Limit:** Up to 70% of project cost (90% for NE/Hilly regions), capped at ₹20 Crore per cluster.

**Revamped Pharmaceutical Technology Upgradation Assistance Scheme (RPTUAS):** Provides subsidies to MSMEs for technology upgrades.

**Pharmaceutical & Medical Devices Promotion and Development Scheme (PMPDS):** Funds studies, seminars, and database creation.

### 4. 2026 Status and Achievements

As of early 2026, the scheme is entering its final year of the current cycle:

- **Infrastructure Growth:** Multiple MSME cluster projects have been approved, with several common facility centres nearing completion to lower manufacturing costs.
- **Export Impact:** Contributed to a steady rise in pharmaceutical exports, which reached approximately ₹2.45 lakh crore in FY 2024-25.
- **Compliance Shift:** Forced a significant number of MSMEs to upgrade their facilities to comply with the mandatory **Revised Schedule M** standards implemented by the government.
- **New Horizons:** In the **Union Budget 2026-27**, the government introduced the **Biopharma SHAKTI** initiative (outlay ₹10,000 Crore) to build on SPI's foundation and focus specifically on biologics and biosimilars.

### 5. Criticism

- **Low Uptake of PTUAS:** Until its revamp, the technology upgrade sub-scheme saw fewer takers due to perceived unattractive features and strict credit-linked conditions.
- **Compliance Pressure:** Smaller units have struggled with the high capital requirements of upgrading to WHO-GMP standards, despite the available subsidies.
- **Limited Outlay:** Industry experts have argued that the ₹500 crore outlay is insufficient to transform thousands of small units across India



## 26. Employment Linked Incentive (ELI):

The **Employment Linked Incentive (ELI)** scheme, officially titled the **Pradhan Mantri Viksit Bharat Rojgar Yojana (PMVBRY)**, is a **Central Sector Scheme** launched by the Government of India to boost formal job creation. Approved in **July 2025** and active through **July 2027**, it provides direct financial incentives to both first-time employees and their employers to encourage formalization of the workforce.

### Core Details of ELI (PMVBRY)

- **Ministry & Implementing Agency:** Administered by the **Ministry of Labour & Employment** and implemented by the **Employees' Provident Fund Organisation (EPFO)**.
- **Funding & Type:** It is a **Central Sector Scheme** (100% funded by the central government) with a total outlay of **₹99,446 crore**.
- **Scheme Status:** It is a **flagship scheme** and forms the core of the broader **Prime Minister's Package for Employment and Skilling**, which acts as an **umbrella** for five distinct employment-linked initiatives.

### Aims and Objectives

- **Formalization:** Transitioning informal workers into the formal sector with social security.
- **Job Creation:** Targeting the creation of over **3.5 crore formal jobs** in two years.
- **Youth Support:** Incentivizing fresh graduates and first-timers to enter the workforce.
- **Manufacturing Focus:** Providing extra support to the manufacturing sector to bolster national industrial missions.

### Key Features (2026 Update)

The scheme is divided into two primary parts based on the type of beneficiary:

- **Part A (First-Time Employees):** Eligible for a one-month wage incentive up to **₹15,000**.
  - Paid in **two installments**: after 6 months and 12 months of service.
  - Requirement: Completion of a **financial literacy programme** for the second installment.
- **Part B (Employers):** Incentives to firms for additional hiring (for employees with salaries up to ₹1 lakh).
  - Employers receive up to **₹3,000 per month** for two years for each new hire.
  - **Extended Benefits:** In the **manufacturing sector**, incentives extend to the **3rd and 4th years** of employment.

### Achievements (Status as of May 2026)

- **Enrollment Milestones:** Over **1.92 crore first-time employees** are targeted for Part A; early 2026 data shows high registration rates through the dedicated PMVBRY Portal.



- **Workforce Formalization:** Significant increase in new **Universal Account Numbers (UAN)** registrations, indicating a shift from informal to formal pay structures.
- **Manufacturing Boost:** High uptake among **SMEs and large manufacturers** due to the 4-year extended incentive period.

### Criticisms and Challenges

- **Implementation Friction:** Some users have reported technical delays in **UAN activation** and processing times for claims reaching nearly 90 days in some instances.
- **Sustainability Concerns:** Experts question whether employers will retain these additional workers once the 2-year (or 4-year) subsidy period ends.
- **Wage Caps:** The ₹1 lakh salary cap is seen by some as too restrictive for high-skill tech roles, though it is designed to prioritize entry-level and mass-market jobs.
- **Structural Deficiencies:** Critics argue that while the scheme subsidizes wages, it does not directly address the underlying **skill mismatch** in the industry, which may limit long-term employment growth

### 27. Legacy Cluster Revival:

The **Legacy Cluster Revival** scheme, formally introduced in the **Union Budget 2026-27**, aims to modernise **200 traditional industrial hubs** across India. These clusters—long established in sectors like textiles, leather, and handicrafts—have historically suffered from decaying infrastructure and outdated technology.

### Core Details (2026 Update)

- **Aims & Objectives:** To enhance the **cost competitiveness** and operational efficiency of 200 legacy clusters. It seeks to preserve existing jobs, increase productivity, and align traditional industries with global manufacturing standards.
- **Ministry:** Primarily driven by the **Ministry of Finance** in close coordination with other central ministries.
- **Implementing Agencies:** The **National Industrial Corridor Development Corporation (NICDC)** acts as a nodal agency, working alongside the **Department for Promotion of Industry and Internal Trade (DPIIT)** and the Ministry of Micro, Small and Medium Enterprises (MSME).
- **Scheme Type:** It is a **Central Sector Scheme**, as it is a major direct intervention by the Union Government announced under its core manufacturing and MSME development agenda.
- **Category:** It is considered a **Flagship Scheme** under the "Viksit Bharat" vision, serving as a primary driver for the government's goal to increase manufacturing's share of GDP to 25%.



## Funding & Features

- **Integrated Support:** Supported by the ₹10,000 crore **SME Growth Fund** and a top-up of the **Self-Reliant India (SRI) Fund** (₹2,000 crore) to provide micro-enterprises with risk capital.
- **Infrastructure Upgrades:** Focuses on "plug-and-play" facilities, improved transport connectivity, common testing centres, and efficient waste management systems.
- **Technology Infusion:** Provides financial incentives for adopting automation, digital manufacturing tools, and modern machinery to replace 15-20 year old legacy systems.

## Achievements & Progress (as of May 2026)

- **Operational Readiness:** The government has identified the first phase of clusters, including historic hubs like **Malegaon** (textiles), **Kanpur** (leather), and **Kolhapur** (engineering).
- **Stakeholder Engagement:** As of March 2026, the **NICDC** began national-level consultations to translate budget proposals into actionable cluster-specific roadmaps.
- **Employment Protection:** The scheme is projected to safeguard the livelihoods of over **114 million workers** currently employed in these traditional sectors.

## Criticisms & Challenges

- **Execution Uncertainty:** Critics note the absence of a detailed official list of all 200 clusters and a clear year-by-year implementation timeline as of early 2026.
- **Credit Gap:** Despite the new growth fund, small units in legacy areas often lack formal documentation, making it difficult to transition from informal high-interest loans to government-backed credit.
- **Urban Congestion:** Many of these legacy clusters are located in densely populated urban areas (like Kanpur or Malegaon), making physical infrastructure expansion (roads and utilities) logistically complex and potentially prone to delays.

## 28. Clean Tech Manufacturing:

The **National Mission on Cleantech Manufacturing (NMCM)**, launched alongside the **Bharat Cleantech Manufacturing Platform** in early 2025, is a flagship initiative aimed at positioning India as a global hub for renewable energy equipment production.

### Aims and Objectives

- **Self-Reliance:** To reduce heavy import dependence (currently ~80% in solar) by building local value chains for solar PV, EV batteries, wind turbines, electrolyzers, and grid storage.



- **Global Leadership:** Positioning India as a trusted alternative manufacturing base to China for global clean energy products.
- **Climate Targets:** Supporting the achievement of **500 GW** of non-fossil energy capacity by 2030 and reaching Net Zero by 2070.

### **Institutional Framework (2026 Update)**

- **Ministry: Ministry of New and Renewable Energy (MNRE).**
  - *Note:* The **Ministry of Commerce & Industry** also leads the associated **Bharat Cleantech Manufacturing Platform** for cross-sectoral collaboration.
- **Implementing Agency:** MNRE, supported by a specialized **Programme Management Unit (PMU)** established by the Solar Energy Corporation of India (SECI).
- **Classification:** It is a **Central Sector Scheme** under the broader **National Manufacturing Mission**, which serves as an **umbrella framework** for various manufacturing sectors.

### **Funding Mechanism**

- **Primary Instruments:** Historically driven by **Product Linked Incentives (PLI)**, though 2026 shifts focus toward **long-term capital**.
- **Manufacturing Support Pool:** A **₹70,000 crore** pool for capex subsidies and interest subvention.
- **Credit Guarantees:** A **₹5,000 crore** partial credit guarantee facility through the National Credit Guarantee Trustee Company (NCGTC) to lower project finance costs for new plants.
- **Customs Duty Exemptions:** Extended until 2035 for capital goods used in lithium-ion cell and nuclear equipment manufacturing.

### **Key Features**

- **Horizontal Drivers:** Focuses on systemic enablers like talent/workforce (Suryamitra training), upstream raw materials, and R&D rather than just end-product subsidies.
- **Collaboration Platform:** The **Bharat Cleantech Manufacturing Platform** allows firms to co-innovate and share technologies/resources.
- **Harmonised Master List:** Cleantech manufacturing is recognized as "Infrastructure," unlocking low-cost, long-tenure finance.

### **Achievements (as of May 2026)**

- **Solar Expansion:** Domestic PV module manufacturing capacity has reached approximately **80 GW**.



- **Self-Sufficiency Milestones:** India achieved its initial 2022 clean energy targets eight years early and is currently a top performer in fulfilling Paris Agreement NDCs.
- **Skilling:** Over **70,000** individuals trained under the Suryamitra and allied initiatives for solar jobs.

### Criticism and Challenges

- **Import Reliance:** Despite growth, upstream segments like solar wafer and cell production still face heavy import competition.
- **Supply Bottlenecks:** Local content requirements starting in June 2026 may cause temporary supply shortages for solar cells.
- **Subsidies vs. Self-Sustainability:** Concerns have been raised by leadership that long-term reliance on PLIs may hinder the sector's ability to become truly independent and globally competitive without government aid

### 29. SME Growth Fund:

As of 2026, the **SME Growth Fund** is a cornerstone of India's strategy to scale small businesses into global competitors. Announced in the **Union Budget 2026–27** with a corpus of **₹10,000 crore**, it marks a shift from traditional debt-based assistance to high-impact **equity and quasi-equity support**.

### Aims and Objectives

- **Scale MSMEs to "Champions":** Focused on transforming high-potential small and medium enterprises into "future champions".
- **Address the "Missing Middle":** Specifically targets mid-sized firms that have outgrown early-stage support but lack the massive capital needed to compete internationally.
- **Modernisation and Innovation:** Aims to help businesses adopt advanced technology, expand production capacity, and improve export readiness.

### Funding Mechanism & Features

- **Equity-Based Support:** Unlike traditional bank loans, this provides risk capital, which does not put immediate repayment pressure on a company's cash flows.
- **Performance-Linked Incentives:** Funding is tied to specific criteria, rewarding businesses that formalise operations and show strong growth potential.
- **Co-investment Model:** Encourages private sector participation and co-investment alongside government funds.
- **Integration with TReDS:** Works in tandem with reforms on the [Trade Receivables Discounting System \(TReDS\)](#) to ensure overall liquidity for the sector.



## Administrative Framework

- **Ministry:** Under the [Ministry of Micro, Small and Medium Enterprises \(MoMSME\)](#).
- **Implementing Agency:** Typically managed through **professional investment channels**, often involving [SIDBI Venture Capital Ltd \(SVCL\)](#) or similar government-backed fund managers.
- **Scheme Type:** It is a **Central Sector Scheme**, as it is 100% funded and managed by the Central Government.
- **Scheme Category:** It is part of an **umbrella framework** of MSME equity support, often linked with the existing **Self-Reliant India (SRI) Fund**.

## 2026 Status & Achievements

- **Expanded Reach:** The fund has been credited with providing a "fresh impetus" to clusters weakened by credit stress and outdated technology.
- **Liquidity Improvement:** By mandating CPSEs (Central Public Sector Enterprises) to use TReDS for all MSME purchases, the government has reduced payment delays, complementing the fund's long-term capital.
- **Record Investments:** Its predecessor, the **SRI Fund**, had already invested roughly **₹15,442 crore** in 682 MSMEs by late 2025, setting a successful precedent for this new allocation.

## Criticisms

- **Strict Eligibility:** Critics argue the focus on "high-potential" and "formalised" enterprises may exclude millions of micro-units that remain in the informal sector and struggle with basic compliance.
- **Implementation Speed:** There have been concerns regarding the time it takes for "modalities" to be finalised and for actual funds to reach businesses after budget announcements.
- **Equity Literacy:** Many MSME owners remain hesitant to give up equity in their businesses, preferring traditional debt despite the high interest rates

## 30. Export Promotion Mission (EPM):

The **Export Promotion Mission (EPM)** is a **flagship umbrella scheme** launched by the **Ministry of Commerce and Industry** to unify fragmented export-support mechanisms into a single, digitally-driven framework.

### Core Details (Update as of May 2026)

- **Ministry:** Ministry of Commerce and Industry.
- **Implementing Agency:** **Directorate General of Foreign Trade (DGFT)**.
- **Scheme Type:** It is classified as a **Central Sector Scheme**, though some sources also describe it as having a "centrally sponsored" structure due to collaboration with state governments.



- **Funding Mechanism:** A total budgetary outlay of ₹25,060 crore has been allocated for a six-year period from FY 2025–26 to FY 2030–31.

### Aims and Objectives

- **USD 2 Trillion Target:** Achieve total exports of USD 2 trillion (merchandise and services) by 2030.
- **MSME Support:** Empower Micro, Small, and Medium Enterprises (MSMEs) and first-time exporters to compete globally.
- **Structural Reform:** Reduce costs associated with capital, logistics, and compliance through a unified digital platform.
- **Market Diversification:** Target interior, low-export districts and diversify into high-risk global markets.

### Key Features & Sub-Schemes

The EPM operates through two primary pillars:

1. **Niryat Protsahan (Financial Enablers):** Focuses on affordable trade finance, including interest subvention, export factoring, and credit cards for e-commerce exporters.
2. **Niryat Disha (Non-Financial Enablers):** Provides support for international branding, quality certification, logistics, and capacity building for rural/interior districts.

### Achievements (As of 2026)

- **Record Export Growth:** In FY 2025-26, India's total exports reached a record high of \$860.1 billion.
- **Digital Integration:** Successful transition to a paperless, integrated digital application system managed by DGFT.
- **Targeted Assistance:** Prioritised support has been operationalised for tariff-hit sectors like textiles, leather, and gems & jewellery.

### Criticisms

- **Operational Delays:** Critics have noted a lack of detailed operational guidelines and eligibility criteria, leading to uncertainty among potential exporters.
- **Funding Sufficiency:** Some analysts argue the annual outlay of approximately ₹4,200 crore is merely a rebranding of existing budgets and may not be sufficient for the mission's vast scope.
- **Coordination Challenges:** Implementation depends on heavy coordination between multiple ministries (Finance, MSME) and state governments, which can lead to bureaucratic friction



**31. Trade Intelligence & Analytics (TIA) Portal:** The **Trade Intelligence & Analytics (TIA) Portal** is a unified digital platform launched on **November 18, 2025**, to centralise global and national trade data for evidence-based policymaking and business growth.

### Administrative Framework

- **Ministry:** Under the [Ministry of Commerce and Industry](#).
- **Implementing Agency:** Developed and managed by the **Department of Commerce**.
- **Scheme Categorisation:** It is an in-house digital initiative of the Department of Commerce rather than a typical grant-disbursing "scheme." However, it functions as a **Central Sector initiative** as it is 100% funded and implemented by the Central Government.
- **Classification:** It acts as a **unified flagship platform** for trade data, replacing legacy systems like Niryat and Tradestat.

### Aims and Objectives

- **Transparency:** To provide accessible, transparent, and actionable trade data to all stakeholders, especially MSMEs and startups.
- **Data-Driven Decisions:** To shift from manual reporting to evidence-based policymaking using real-time analytics.
- **Trade Diversification:** To identify new market opportunities, monitor product potential, and optimise the use of **Free Trade Agreements (FTAs)**.

### Key Features

- **Integrated Hub:** Consolidates databases including **UN Comtrade**, bilateral trade data, and macroeconomic indicators.
- **Interactive Visuals:** Offers over **270 visualisations** across **28+ dashboards**.
- **Trade Watch Tower:** A specialised tool to identify "Champion Products" by mapping global demand against India's supply.
- **Specialised Monitoring:** Dedicated trackers for **Production Linked Incentive (PLI)** sectors, critical minerals (over 30 types), and import/export surges.
- **Open-Source & Scalable:** Built as a cost-effective, open-source system with no software licensing fees.

### 2026 Update & Achievements



- **Real-time Availability:** As of May 2026, the portal provides data updated through **February 2026**, with historical records dating back to 2016.
- **Automation:** Successfully automated the **Monthly Trade Reports** and surge alerts, significantly reducing manual data processing.
- **Coverage:** Now monitors trade flows with more than **220 nations** and covers approximately **12,000 national tariff lines**.

### Criticisms and Challenges

- **Data Quality Issues:** Analysts have noted that import data still arrives in various units of measure, complicating cross-country comparisons.
- **Privacy Concerns:** There are ongoing challenges regarding the level of granular data from individual exporters that can be legitimately shared in the public domain.
- **Dependency on Secondary Sources:** Some advanced analytics depend on international databases like UN Comtrade, which may have different reporting lags

### 32. Sector-Specific Export Support:

The **Export Promotion Mission (EPM)**, launched in late 2025 and fully operational in 2026, serves as the unified umbrella framework for sector-specific export support in India. It integrates several digital portals and interventions to streamline support for exporters, particularly MSMEs.

#### Core Details (As of May 2026)

Feature	Details
<b>Aims &amp; Objectives</b>	To enhance global competitiveness, support MSMEs in non-traditional districts, reduce logistics costs, and provide a unified digital support ecosystem.
<b>Funding Mechanism</b>	A total outlay of <b>₹25,060 crore</b> for FY 2025–26 to FY 2030–31.
<b>Portal/Platform</b>	<b>Trade Connect e-Platform</b> (and the <a href="#">DGFT Official Portal</a> ) acts as the one-stop digital interface.
<b>Ministry</b>	<b>Ministry of Commerce and Industry.</b>



**Implementing Agency** Directorate General of Foreign Trade (DGFT).

**Scheme Type** Flagship Umbrella Scheme comprising two sub-schemes: **Niryat Protsahan** (financial) and **Niryat Disha** (non-financial).

**Funding Structure** Central Sector Scheme (100% funded by the Union Government).

### Key Features and Components

- **Niryat Protsahan (Financial):** Includes **Export Factoring Support** for MSME working capital, subsidized credit, and an expanded **Credit Guarantee Scheme** (up to ₹20,000 crore).
- **Niryat Disha (Non-Financial):** Focuses on trade intelligence (INSIGHT), market access support (MAS), and logistics resilience (RELIEF).
- **Source from India:** A flagship portal feature that helps international buyers verify and connect with reliable Indian exporters.
- **Sectoral Interventions:** Targeted support for labor-intensive sectors and non-traditional export hubs.

### Update 2026: Achievements & Progress

- **RELIEF Expansion (April 2026):** The government expanded the **Resilience & Logistics Intervention for Export Facilitation (RELIEF)** scheme to mitigate rising maritime risks in West Asia, providing up to 100% risk coverage for war-related losses.
- **Digital Integration:** The Trade Connect Platform now offers end-to-end digitised processes, from application to disbursal, including self-certification of eBRCs and e-Certificates of Origin (eCoO 2.0).
- **Targeting MSMEs:** Over 65 Export Facilitation Centres (EFCs) have been integrated to link small businesses with financial institutions and global markets.

### Criticism & Challenges

- **Information Gaps:** Despite the unified portal, some MSMEs still report difficulty navigating complex procedural requirements and non-tariff barriers.
- **Logistics Dependencies:** While the scheme provides financial "safety nets" (like RELIEF), exporters remain vulnerable to external geopolitical shocks and high freight costs that subsidies only partially offset.



- **Implementation Speed:** Critics point to the lag between scheme notification and actual credit disbursement at the ground level for smaller players.

### 33. National Textile Manufacturing Mission:

The primary initiative corresponding to your request is the **National Technical Textiles Mission (NTTM)**, which was launched to transform India into a global leader in technical textiles. While there is no standalone "National Textile Manufacturing Mission" in official records as of May 2026, the NTTM is the **flagship mission** focusing on specialized textile manufacturing and innovation.

#### Core Details (Updated for 2026)

- **Ministry:** [Ministry of Textiles](#), Government of India.
- **Implementing Agency:** **Mission Directorate**, headed by a Mission Director within the Ministry of Textiles.
- **Scheme Type:** It is a **Central Sector Scheme** (100% funded by the Union Government).
- **Status:** Originally approved for 2020–2024, it has been extended to **March 2026**.

#### Aims and Objectives

The mission aims to achieve a domestic market size of **\$40–50 billion** with an annual growth rate of 15–20%.

- **Innovation:** Promoting R&D in high-end specialized fibers (e.g., carbon, aramid, and glass fibers).
- **Market Penetration:** Increasing the use of technical textiles in infrastructure (Geotextiles), healthcare (Meditech), and agriculture (Agrotech).
- **Export Growth:** Enhancing technical textile exports to reach significant global market shares.

#### Key Features & Funding

- **Four Pillars:**
  1. **Research & Development:** Focus on indigenous machinery and fiber development.
  2. **Promotion & Market Development:** Increasing awareness across user ministries.
  3. **Export Promotion:** Establishing a dedicated Export Promotion Council.
  4. **Education & Skill Development:** Training a specialized workforce.
- **Funding Mechanism:** A total financial outlay of **₹1,480 crore** for the implementation period.

#### Achievements (as of 2026)

- **Research Projects:** Over **168 strategic research projects** worth roughly ₹509 crore have been cleared in areas like specialty fibers and sustainable textiles.



- **Skilling:** Successfully launched Samarth 2.0 and other initiatives aiming to train **50,000 individuals** specifically in technical textiles.
- **Standards:** Developed HSN codes and BIS standards to help track imports/exports and ensure global quality.

### Criticisms and Challenges

- **Indigenous Machinery:** India remains heavily dependent on imports for the high-end machinery required to manufacture specialized fibers.
- **Low Awareness:** Slow adoption rate in traditional sectors (like agriculture and small-scale infrastructure) due to higher initial costs compared to conventional textiles.
- **Under-utilization of Funds:**

### 34. National Fibre Scheme

The **National Fibre Scheme** was announced in the **Union Budget 2026–27** by Finance Minister Nirmala Sitharaman as a major component of a new Integrated Programme for the Textile Sector. It is designed to act as an **umbrella scheme** under the **Ministry of Textiles**, consolidating previously separate initiatives for various fibres.

### Core Identity

- **Ministry:** Ministry of Textiles.
- **Implementing Agency:** The Ministry works through specialized bodies such as the Central Silk Board (CSB) and other fibre-specific boards.
- **Classification:** It is an **umbrella scheme** that integrates natural (silk, wool, jute) and man-made fibres (MMF).
- **Scheme Type:** Positioned as a **central sector scheme**, given its focus on national self-reliance and direct integration of previously central-run boards.

### Aims and Objectives

- **Self-Reliance:** Achieving "Atmanirbharta" (self-reliance) across the entire fibre spectrum, including silk, wool, jute, man-made, and new-age industrial fibres.
- **Value Addition:** Strengthening domestic production and supporting farmers and fibre producers.
- **Economic Growth:** Helping to double India's textile value from **\$170 billion to \$350 billion by 2030**.
- **Global Competitiveness:** Rationalizing import duties to create a level playing field between natural and synthetic fibres.

### Funding and Features



- **Funding Mechanism:** Supported by fiscal incentives, including production-linked incentives (PLI), capital subsidies for modernization, and rationalization of import duties.
- **Unified Framework:** Integrates individual natural fibre schemes into a single [integrated policy framework](#).
- **Innovation:** Focuses on developing **new-age and tech-textiles** and [fibre labelling regulations](#) for transparency.

#### Update as of 2026

- **Launch:** Announced on **February 1, 2026**, as part of the FY2026–27 budget.
- **Consultations:** The Ministry of Textiles held regional stakeholder [consultation workshops](#) in early 2026 to refine implementation modalities.
- **Achievements (Initial):**
  - **Strategic Planning:** Successfully moved natural fibres under one administrative umbrella.
  - **Seed Adoption:** Targets for complete adoption of certified seeds in the jute and silk sectors were established.
- **Criticism:**
  - **Execution Uncertainty:** As a newly proposed scheme, critics point to the lack of granular details on integrated implementation for diverse fibres like wool vs. polyester.
  - **Structural Gaps:** Experts highlight that while the policy exists, addressing deep-rooted structural inefficiencies to match global leaders like China remains a massive hurdle

#### 35. Samarth 2.0.

**Samarth 2.0** is an upgraded skilling programme launched by the **Ministry of Textiles** to modernize the textile skill ecosystem through deeper collaboration with industry and academic institutions. As of **May 2026**, the scheme remains a critical **flagship** and **umbrella** initiative for capacity building across the entire textile value chain.

#### Core Details & 2026 Update

- **Ministry:** Ministry of Textiles.
- **Implementing Agency: Implementing Partners (IPs),** including the textile industry, industry associations, central/state government agencies, and sectoral organizations like the Central Silk Board and Central Wool Development Board.
- **Scheme Type:** It is a **Central Sector Scheme** (funded and implemented primarily by the Union Government).
- **Status as of 2026:** The scheme has been extended until **31 March 2026**.
- **Funding:** Funded based on common norms from the **Ministry of Skill Development & Entrepreneurship (MSDE)**, with a recent extension budget of **₹495 crore** aimed at training 3 lakh persons.



## Aims and Objectives

- **Skill Supply:** Ensure a continuous supply of skilled workforce in the labor-intensive textile sector.
- **Inclusive Growth:** Target marginalized groups, focusing on women, SC/ST, and those in 115 **Aspirational Districts**.
- **Employment:** Provide demand-driven, placement-oriented National Skills Qualifications Framework (NSQF) compliant skilling.
- **Traditional Sectors:** Promote skill upgradation in handlooms, handicrafts, sericulture, and jute.

## Key Features

- **Tech-Driven Monitoring:** Includes **Aadhar-enabled biometric attendance**, CCTV recording of training, and a mobile app-based Management Information System (MIS).
- **Comprehensive Coverage:** Covers the entire textile value chain **except spinning and weaving** in the organized sector.
- **Training of Trainers (ToT):** Mandatory certification for trainers to ensure high-quality instruction.
- **Placement Guarantee:** Mandatory wage employment for at least **70%** of trained individuals in the organized sector.

## Achievements (as of March 2026)

- **Trained Beneficiaries:** Over **3.27 lakh** candidates have been trained so far.
- **Employment:** Approximately **2.6 lakh (79.5%)** of trained candidates have gained employment.
- **Women Empowerment:** Significant reach among women, who make up **88.3% (2.89 lakh)** of all trained beneficiaries.
- **Infrastructure:** As of 10 March 2026, there are **4,430 active training centres** across 28 States and 6 Union Territories.

## Criticism & Challenges

- **Sector Exclusions:** Critics often point out the exclusion of **spinning and weaving** from the organized sector training, which leaves a gap in the core of the textile manufacturing chain.
- **Implementation Delays:** Historical delays due to external factors like COVID-19 led to temporary halts in various states, necessitating multiple extensions to meet initial targets.
- **Placement Quality:** While placement rates are high, there are ongoing concerns regarding the **retention period** and the quality of long-term sustainable wages in the unorganized sectors.



### 36. The Shipbuilding Financial Assistance Scheme (SBFAS)

The **Shipbuilding Financial Assistance Scheme (SBFAS)**—previously known as the Shipbuilding Financial Assistance Policy (SBFAP)—is a strategic initiative to boost domestic ship manufacturing. Following a major policy reset in September 2025, the scheme has been extended and significantly expanded as part of a broader **₹44,700 crore** maritime package.

#### Key Details (Updated for 2026)

- **Ministry:** [Ministry of Ports, Shipping and Waterways \(MoPSW\)](#).
- **Implementing Agency:** The **Directorate General of Shipping (DG Shipping)** serves as the competent authority for approvals.
- **Scheme Type:** It is a **Central Sector Scheme**, fully funded by the Central Government.
- **Category:** It is a **Flagship Scheme** of the MoPSW, now operating as a core pillar under the **Maritime Amrit Kaal Vision 2047**.
- **Validity:** The current phase (SBFAS) is valid for contracts signed until **March 31, 2036**, with a total corpus of **₹24,736 crore**.

#### Aims & Objectives

- **Revival:** To revive the domestic shipbuilding industry by providing a level playing field against global competitors.
- **Competitiveness:** To offset the 25–30% cost disadvantage Indian yards face compared to international shipyards.
- **Self-Reliance:** To support "Make in India" and "Aatmanirbhar Bharat" in the strategic maritime sector.

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#### Funding Mechanism & Features

- **Direct Financial Assistance:** The government provides graded support based on the vessel type and value:
  - **15%** for standard vessels valued below ₹100 crore.
  - **20%** for standard vessels valued above ₹100 crore.
  - **25%** for specialised vessels (e.g., green, hybrid, or ammonia-fueled ships).
- **Milestone-Based Disbursement:** Funds are released at specific construction stages (e.g., keel laying, delivery).
- **Domestic Content Requirement:** To receive full assistance, vessels must have at least **40% domestic value addition**.



- **Ship-Breaking Credit Note:** Owners scrapping ships at Indian yards receive a credit worth **40% of the scrap value** toward new builds.

#### Achievements (As of March 2026)

- **Contract Approvals:** A total of **288 contracts** worth **₹19,748 crore**, covering 456 vessels, have received in-principle approval.
- **Disbursement:** Approximately **₹620.57 crore** has been disbursed to 23 shipyards for the delivery of 204 vessels.
- **Industry Participation:** Around **39 shipyards** (both public and private) have registered to avail benefits.

#### Criticism & Challenges

- **High Financing Costs:** Despite the subsidy, Indian yards still struggle with high interest rates (10–10.5%) compared to global competitors.
- **Limited Reach:** Critics noted that during the first decade (2016–2024), fewer than half of registered shipyards actually managed to secure benefits due to rigid paperwork and valuation hurdles.
- **Infrastructure Status Gap:** While "large ships" recently gained infrastructure status, smaller vessels (the majority of local orders) remained excluded from these low-cost funding benefits until recent policy tweaks

### 37. University Townships scheme

The **University Townships** initiative was a major highlight of the **Union Budget 2026-27**, aimed at creating integrated academic ecosystems near India's industrial hubs.

#### Core Framework of the Scheme (as of 2026)

- **Ministry:** [Ministry of Education](#).
- **Implementing Agency:** State governments in collaboration with the [University Grants Commission \(UGC\)](#) and central nodal agencies for industrial corridors.
- **Scheme Type:** It operates as a **Centrally Sponsored Scheme** supported via a **challenge-based route**, where the Centre assists states that provide land and favorable regulatory frameworks.
- **Classification:** It is part of the **umbrella framework** for higher education reforms under [National Education Policy \(NEP\) 2020](#) and the **flagship vision** of [Viksit Bharat 2047](#).

#### Aims and Objectives

- **Bridge the Skill Gap:** Align higher education with the immediate needs of the industry and logistics sectors.
- **Foster Innovation:** Create "Knowledge-Industry Clusters" where research hubs, startups, and factories coexist.



- **Global Standardisation:** Attract foreign universities to set up campuses within these zones, reducing student outward migration.
- **Integrated Living:** Transition from standalone campuses to "Knowledge Cities" that combine learning, working, and residential facilities.

### Key Features & Funding

- **Strategic Location:** Initially, **5 townships** are being established near major industrial and logistics corridors.
- **Infrastructure:** Each township hosts multiple universities, vocational skill centers, high-tech labs, and residential complexes.
- **Funding Mechanism:**
  - **Challenge Route:** States compete for central support based on land availability and industrial readiness.
  - **Viability Gap Funding (VGF):** Used primarily for capital-intensive infrastructure like residential halls and research labs.
  - **Private Investment:** Encourages public-private partnerships (PPP) for establishing centers of excellence.

### Achievements (2026 Status)

- **Budgetary Boost:** The education sector saw an **8.27% increase** (to ₹1.39 lakh crore) specifically to jumpstart these large-scale infrastructure projects.
- **International Tie-ups:** UGC issued **14 Letters of Intent (LoIs)** to foreign higher education institutions (from the UK, USA, and Australia) to anchor these townships.
- **Industrial Linkage:** Master plans for the first five townships have been integrated into the existing Gati Shakti logistics framework.

### Criticisms

- **Privatisation Concerns:** Critics argue the model may favor private and foreign institutions over strengthening existing public state universities.
- **Exclusion Risks:** There is concern that these "gated knowledge communities" could bypass reservation norms and constitutional safeguards for marginalized students.
- **Urban Bias:** Analysts warn that focusing on industrial corridors might further widen the rural-urban divide in educational quality

### 38. National Industrial Corridor Development Programme (NICDP):



The **National Industrial Corridor Development Programme (NICDP)** is India's flagship initiative aimed at developing **Greenfield Industrial Smart Cities** and creating a world-class manufacturing ecosystem. As of **2026**, the programme has expanded to include **32 projects** across **11 major industrial corridors** to transform India into a global manufacturing and export hub.

### Aims and Objectives

- **Manufacturing Excellence:** Develop futuristic industrial cities to compete with global manufacturing destinations.
- **Economic Growth:** Catalyse large-scale industrial development to support the goal of a **\$5 trillion economy** and **\$2 trillion in exports** by 2030.
- **Infrastructure:** Establish plug-and-play infrastructure and seamless **multimodal connectivity** aligned with the [PM GatiShakti National Master Plan](#).
- **Sustainability:** Build low-carbon, greenfield cities using renewable energy, smart waste management, and sustainable urban planning.

### Governance and Implementation

- **Ministry:** Functions under the **Ministry of Commerce and Industry** (Department for Promotion of Industry and Internal Trade - **DPIIT**).
- **Implementing Agency:** Managed by the [National Industrial Corridor Development Corporation \(NICDC\)](#).
- **Financing Mechanism:** The National Industrial Corridor Development and Implementation Trust (NICDIT) acts as the primary investment vehicle and financing body.
- **Scheme Type:** It is a **Central Sector Scheme**. While it serves as an **umbrella scheme** for various industrial corridors (like DMIC, CBIC), it is widely referred to as a **flagship programme** of the government.

### Update 2026: Status and Achievements

- **Project Progress:** As of May 2026, **20 industrial smart cities** have been approved across 13 states.
- **Operational Milestones:** **4 cities are completed**—[Dholera](#) (Gujarat), [Shendra-Bidkin](#) (Maharashtra), [Greater Noida](#) (UP), and [Vikram Udyogpuri](#) (MP)—while 4 others are nearing completion.
- **Budget 2026-27:** Allocated **₹3,000 crore** to NICDIT and announced the new **Integrated East Coast Industrial Corridor** with a key node at Durgapur.
- **New Initiatives:** Launched the **BHAVYA scheme** to develop 100 plug-and-play industrial parks.
- **Investments:** Phase-I cities alone have attracted over **₹2.02 lakh crore** in investments.

### Criticism and Challenges



- **Land Acquisition:** Significant delays in land acquisition and high costs continue to hinder project timelines in various states.
- **Underutilization:** Concerns persist regarding the slow pace of industrial land allotment and actual manufacturing takeoff in some greenfield sites.
- **Global Competition** competing with established hubs like Vietnam and Thailand for shifting global supply chains remains a hurdle due to high logistics costs and regulatory complexities.

### 39. PM MITRA Parks:

The **PM Mega Integrated Textile Region and Apparel (PM MITRA)** Parks scheme, launched in October 2021, is a **flagship scheme** designed to establish world-class textile manufacturing hubs in India.

#### Core Details (As of 2026)

- **Ministry:** [Ministry of Textiles](#).
- **Scheme Type:** It is a **Centrally Sponsored Scheme**.
- **Implementing Agency:** A **Special Purpose Vehicle (SPV)** jointly owned by the Central Government (49% equity) and the respective State Government (51% equity) oversees each park. A **Master Developer** is selected via a Public-Private Partnership (PPP) model for infrastructure development.
- **Total Outlay:** ₹4,445 crore for the period 2021–22 to 2027–28.

#### Aims and Objectives

The scheme is anchored in the **5F Vision** (Farm to Fibre to Factory to Fashion to Foreign).

- **Integrated Value Chain:** House the entire textile ecosystem (spinning, weaving, processing, garmenting) in one location to reduce logistics costs.
- **Global Competitiveness:** Build infrastructure at global standards to position India as a leading textile hub.
- **Investment & Employment:** Attract ₹70,000 crore in investments and create 20 lakh direct and indirect jobs.
- **Sustainable Infrastructure:** Achieve UN Sustainable Development Goal 9 (Industry, Innovation, and Infrastructure).

#### Funding Mechanism & Features

- **Development Capital Support (DCS):**
  - **Greenfield Parks:** Up to 30% of project cost, capped at **₹500 crore**.
  - **Brownfield Parks:** Up to **₹200 crore** for infrastructure gaps.
- **Competitiveness Incentive Support (CIS):** Up to **₹300 crore per park** to units starting early operations.



- **Key Features:** Each park requires at least 1,000 acres of land and includes plug-and-play facilities, research centres, and worker housing.

### 2026 Status and Achievements

As of early 2026, the scheme has moved from planning to active ground execution at seven finalized sites:

- **Land & Allotments:** In **Tamil Nadu (Virudhunagar)**, 100% land has been acquired with 190.44 acres already allotted to 23 investors, promising 15,000 jobs. **Madhya Pradesh (Dhar)** has allotted 1,130 acres with proposed investments of over ₹21,000 crore.
- **Infrastructure Work:** Works worth ₹2,160.17 crore for external infrastructure (to the park gates) have commenced across multiple states.
- **Budget 2026-27:** The government announced a new challenge-based approach for further "Mega Textile Parks" beyond the initial seven.

### Criticisms and Challenges

- **Global Competition:** Competitors like Bangladesh and Sri Lanka benefit from duty-free access to major markets, while Indian exports often face higher tariffs.
- **Tax Inefficiencies:** The Man-Made Fibre (MMF) sector faces an **Inverted Duty Structure**, where taxes on raw materials (18%) are higher than on finished products (5%), hurting working capital.
- **Import Surge:** A notable increase in textile imports, particularly from China, continues to pressure domestic manufacturers.
- **Implementation Delays:** High initial capital requirements and long gestation periods can deter private developers

### 40. Sports Goods Manufacturing Initiative:

The **Sports Goods Manufacturing Initiative** was formally introduced in the **Union Budget 2026-27** to transform India into a global hub for high-quality, affordable sports equipment.

#### Aims and Objectives

The primary goal is to shift India from basic manufacturing to an **innovation-driven ecosystem**.

- **Research & Innovation:** Advancing equipment design and material sciences to create lighter, stronger, and more ergonomic gear.
- **Economic Growth:** Positioning the sports sector as a driver for jobs, skilling, and MSME growth.



- **Global Export:** Scaling India's sports exports from current levels to a target of approximately **USD 8.1 billion by 2036**.
- **Import Substitution:** Reducing dependency on foreign-made high-end sports equipment.

### Governance and Implementation

- **Ministry: Ministry of Youth Affairs and Sports (MYAS).** In September 2025, the *Allocation of Business Rules* were amended to officially bring sports goods manufacturing under this Ministry (previously handled loosely by DPIIT).
- **Implementing Agency:** The Ministry of Youth Affairs and Sports, supported by **NITI Aayog** for strategic roadmaps and the **Sports Goods Export Promotion Council (SGEPC)** for market access.
- **Scheme Type:** It is a **Central Sector Initiative** (centrally driven).
- **Scheme Status:** It acts as a dedicated component under the broader **Khelo India Mission**, which was also elevated to a 10-year mission-mode framework in the 2026 Budget.

### Key Features and Funding

- **Funding:** An initial dedicated allocation of **₹500 crore** was announced in the 2026-27 Budget.
- **Cluster Revival:** A plan to revive **200 legacy industrial clusters** (like Jalandhar and Meerut) through technology and infrastructure upgrades.
- **SME Support:** Access to a ₹10,000 crore SME growth fund for equity and scaling support, as 90% of the sector is MSME-based.
- **Common Facilities:** Establishment of internationally accredited testing and certification centres to lower compliance costs for manufacturers.

### Status and Achievements (as of 2026)

- **Institutional Shift:** Successfully integrated sports manufacturing into the Ministry of Sports' mandate, ensuring sports policy and manufacturing are aligned for the first time.
- **Strategy Roadmap:** **NITI Aayog** released the report "*Realising the Export Potential of India's Sports Equipment Manufacturing Sector*" in March 2026, providing a 10-year blueprint for the industry.
- **Cluster Development:** Launch of **SportEdge Meerut**, a program to elevate the Meerut cluster (which accounts for 40% of India's sports exports) into a global benchmark.

### Criticisms and Challenges

- **Industry Status:** Experts argue that sports must be granted formal "**Industry Status**" to unlock better credit facilities and investment.



- **Taxation Barriers:** Calls remain for further **rationalization of import duties** on specialized raw materials that are not yet produced in India.

#### **41. Construction and Infrastructure Equipment (CIE) Scheme:**

The **Scheme for Enhancement of Construction and Infrastructure Equipment (CIE)** is a targeted initiative announced in the **Union Budget 2026–27** to modernize India's heavy machinery sector. It focuses on building domestic strategic capability in high-value, technology-intensive equipment that currently relies heavily on imports.

#### **Core Details (As of 2026)**

- **Ministry:** Under the **Ministry of Heavy Industries (MHI)**.
- **Implementing Agency:** **Central Public Sector Enterprises (CPSEs)** are designated to spearhead key components, such as setting up Hi-Tech Tool Rooms.
- **Scheme Type:** It is a **Central Sector Scheme**, as it is fully funded and steered by the Central Government through the Ministry of Heavy Industries.
- **Status:** It is considered a **flagship scheme** for the capital goods sector, intended to drive massive long-term investment (targeting ₹1 lakh crore) over a seven-year cycle.

#### **Aims and Objectives**

- **Self-Reliance:** To reduce India's import dependence for critical infrastructure machinery.
- **Strategic Capability:** To enable local manufacturers to design and produce high-precision, high-value components.
- **Global Competitiveness:** To scale domestic manufacturing to compete on a global stage in frontier technology sectors.

#### **Funding Mechanism & Features**

- **Initial Outlay:** ₹200 crore was allocated for the 2026–27 fiscal year as a startup phase.
- **Incentive Model:** Designed as a multi-year push (7-year roadmap) featuring investment commitments and detailed incentive guidelines for manufacturers.
- **Hi-Tech Tool Rooms:** Establishment of automated, digitally enabled service bureaus at two strategic locations for localized design and testing.
- **Scope:** Covers a wide range of advanced equipment, including:
  - **Tunnel Boring Machines (TBMs)** for metros and high-altitude roads.
  - **High-rise equipment** such as modern lift systems.



- **Specialized tools** like advanced hydraulics and fire-fighting systems.

### Achievements and Criticisms

#### Achievements (2026 Forecast/Early Impact)

**Market Growth:** Sector set to double from \$9.5 billion to \$25 billion by 2030.

**Localization:** Expected to bridge domestic gaps in high-tech segments like TBMs, currently dominated by foreign firms.

**Tech Adoption:** Driving transition toward AI-enabled fleet management and electric/hybrid equipment.

#### Criticisms & Challenges

**Modest Funding:** The initial ₹200 crore allocation is viewed as very small compared to the scale of the machinery industry.

**Delayed Notification:** Detailed guidelines and final notifications are only expected by mid-2026, leading to a "wait-and-watch" period for investors.

**Execution Risk:** Success depends on the ability of CPSEs to manage complex "Hi-Tech Tool Rooms" effectively.

### 42. Electronics Components Manufacturing Scheme (ECMS):

The **Electronics Components Manufacturing Scheme (ECMS)** is a flagship initiative launched by the Government of India in **April 2025**. It is designed to build a self-sustaining domestic ecosystem for high-value electronic components, reducing heavy reliance on imports from East Asian economies.

#### Core Details (As of 2026)

- **Ministry:** Ministry of Electronics and Information Technology (**MeitY**).
- **Implementing Agency:** A **Project Management Agency (PMA)** appointed by MeitY.
- **Scheme Type:** It is a **Central Sector Scheme** (100% funded by the Union Government) and is considered a **flagship initiative**.
- **Total Outlay:** Originally ₹22,919 crore, the **Union Budget 2026–27** significantly increased the outlay to **₹40,000 crore**.
- **Tenure:** Six years (FY 2025–26 to FY 2031–32) with a one-year gestation period for turnover incentives.

#### Aims and Objectives

- **Self-Reliance:** Achieve **Atmanirbhar Bharat** in the electronics supply chain.



- **Import Substitution:** Reduce imports by focusing on sub-assemblies and bare components like PCBs and camera modules.
- **Global Value Chains (GVCs):** Integrate Indian firms into global supply chains to become a global tech leader.
- **Domestic Value Addition (DVA):** Enhance the depth of local manufacturing beyond simple assembly.

### Funding Mechanism & Key Features

The scheme provides **performance-linked fiscal incentives** on a first-come, first-served basis:

1. **Turnover-Linked Incentives:** 6-year duration for products like PCBs and capacitors.
2. **Capex-Linked Incentives:** 5-year duration for high-capital investments.
3. **Hybrid Incentives:** A combination of both turnover and capex support.
4. **Employment Linkage:** A portion of the incentives is specifically tied to **employment generation**.
5. **Target Segments:** Includes five categories ranging from sub-assemblies and bare components to telecom equipment and capital goods.

### Achievements (As of 2026)

- **Massive Investment Interest:** Received 249 applications with investment promises exceeding **₹1.15 lakh crore**, nearly double the initial target.
- **Job Creation:** Approvals as of early 2026 are expected to generate over **1.41 lakh direct jobs**.
- **Strategic Production:** Approved projects for multi-layer PCBs and camera modules are projected to meet **20% of domestic PCB demand**.
- **Scale of Approvals:** By April 2026, **75 applications** had been sanctioned with cumulative investments of roughly ₹75,000 crore.

### Criticisms and Challenges

- **First-Come, First-Served Basis:** Some critics argue this may disadvantage smaller MSMEs that cannot move as quickly as larger global giants.
- **Incentive Disbursal Caps:** Incentives are capped at **50% of eligible incremental investment**, which some industry players find restrictive for extremely high-capital projects.
- **Infrastructure Gaps:** While the scheme provides financial aid, manufacturers still face challenges with high power costs and logistical inefficiencies compared to regional competitors

### 43. Rare Earth Corridors:



The **Rare Earth Corridors** (also referred to as **Dedicated Rare Earth Corridors**) is a strategic initiative announced in the [Union Budget 2026–27](#) to establish integrated industrial hubs in mineral-rich coastal states—**Odisha, Kerala, Andhra Pradesh, and Tamil Nadu**. It is designed to complement the **₹7,280 crore** Rare Earth Permanent Magnet (REPM) Manufacturing Scheme approved in late 2025.

### Key Objectives & Aims

- **Self-Reliance (Atmanirbhar Bharat):** Reducing heavy import dependence (currently 85–90% by quantity) on China for high-performance magnets.
- **Clean Energy Support:** Securing critical materials for electric vehicle (EV) motors and wind turbines, where demand is expected to double by 2030.
- **Integrated Ecosystem:** Linking mining, refining, research, and high-value manufacturing (like REPMs) within defined geographical zones.
- **Operationalising Missions:** Translating the **National Critical Minerals Mission** into state-level industrial clusters.

### Governance & Implementation

- **Ministry:** Operates under the **Department of Atomic Energy (DAE)** (under the Prime Minister's Office).
- **Implementing Agency:** **IREL (India) Limited** (formerly Indian Rare Earths Limited), a CPSE under DAE, is the primary executor.
- **Scheme Type:** It is a **Central Sector Scheme**, as it is fully funded and managed by the Central Government through agencies like IREL and the Department of Atomic Energy.
- **Scheme Category:** It serves as a **Flagship Initiative** under the broader **National Critical Minerals Mission** (Umbrella framework).

### Funding Mechanism

The initiative is backed by a total outlay of **₹7,280 crore** (approx. \$860 million):

- **Sales-Linked Incentives:** ₹6,450 crore provided over five years for REPM sales.
- **Capital Subsidy:** ₹750 crore allocated for setting up advanced manufacturing facilities.
- **Global Bidding:** Capacity is allocated to selected beneficiaries (e.g., up to 1,200 MTPA each) through a competitive process.

### Status & Achievements (as of 2026)



- **Infrastructure Setup:** IREL has aligned its existing extraction plant in Odisha and refining unit in Kerala with the new corridor guidelines.
- **SOP Development:** A **Joint Working Group (JWG)** was constituted in early 2026 to finalise Standard Operating Procedures (SOPs) for the corridors.
- **Resource Identification:** The Geological Survey of India (GSI) has augmented rare earth ore resources to approximately **763 million tonnes** across the country.
- **Strategic Shift:** In June 2025, IREL was directed to suspend its long-standing export agreement with Japan to prioritise domestic use for these corridors.

### Criticisms

- **Resource Grade Issues:** Critics point out that Indian rare earth ores are lower grade (0.056%–0.058%) compared to global competitors, making extraction complex and expensive.
- **Environmental & Regulatory Hurdles:** Mining is heavily restricted by Coastal Regulation Zone (CRZ) rules and forest conservation laws, leading to production caps.
- **Technology Gap:** While funding is present, India still faces a lack of midstream industries (metals and alloys) required to process raw oxides into finished magnets.