FICCI's Centenary Year: 'India First' and the Corporate Responsibility Question

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Why in the news

On 19 November 2026, Prime Minister Narendra Modi inaugurated the Annual General Meeting and Annual Convention of the Federation of Indian Chambers of Commerce and Industry (FICCI) at Bharat Mandapam, New Delhi.[1] The convention was special because FICCI was holding its centenary-year celebrations. From this centenary platform, the Prime Minister placed two kinds of messages before industry, a 20-year 'India First' roadmap on one side, and on the other some direct questions: after tax relief and facilities, why have salaries and employment not risen?[2]

FICCI: an institution older than independence

Establishment: FICCI was established in 1927. Its prominent founders included Ghanshyam Das Birla and Sir Purshottamdas Thakurdas, and the formation was inspired by the Swadeshi spirit of that era.[3] Today it is one of India's leading apex industry chambers.

Meaning of the centenary: The Prime Minister said that for an institution to remain alert and active for a hundred years, to evolve with changing times and to keep contributing to the nation's economic journey is a very big achievement. He also made a sharp observation: in 1930, Gandhiji had come to industry with the message of Swadeshi, and even after so many years the same message of reducing import dependence has to be repeated, this is an occasion for self-reflection.[2]

'India First': the foundation for the next 20 years

The core appeal: The Prime Minister asked industry to make 'India First' the foundation of every long-term investment decision over the next 20 years. This, he said, will make the country self-reliant and will also open new opportunities for business growth.[1]

The context: He referred to the current era of the weaponisation of resources, when countries use minerals, energy and supply chains as instruments of pressure, self-reliance in strategic sectors becomes linked to national security. Quoting the Gita verse 'Uddharet Atmana Atmanam, Na Atmanam Avsadayet' (one must uplift oneself and not let oneself fall), he said periodic self-reflection is essential for individuals, industry and the nation alike.[2]

The economic backdrop: The speech described India as the world's fastest-growing major economy, with major institutions projecting growth of around 7 percent. In October 2026, India's monthly goods exports reached nearly 50 billion dollars, stated to be the highest-ever monthly figure. Citing the latest World Bank report, the Prime Minister said 50 crore Indians have come out of poverty in just 12-13 years.[1]

The domestic market is no 'comfort zone'

The straight message: The 140-crore domestic market must not become industry's 'comfort zone', the mindset that "the product will sell anyway" cannot be allowed to compromise quality. The market should instead provide the confidence to compete in global markets.[2]

The quality question: The Prime Minister questioned the habit of reassuring domestic customers by saying "this is export quality", are the people of this country not entitled to quality products? He urged industry to invest in understanding the needs of customers across different regions of the world, to meet global standards and to build distribution networks.[2]

Four sectors, four gaps

Pharmaceuticals: India is known as the 'Pharmacy of the World' and is strong in finished medicines, yet it imports billions of dollars worth of APIs, bulk drugs and drug intermediates across hundreds of categories. Alongside strength in finished medicines, capability in ingredients must now be built.[1]

Steel and aluminium: India exports iron ore worth thousands of crores of rupees, yet imports finished steel. Despite vast bauxite reserves, specialised aluminium alloys are imported. Industry must identify which grades are being imported and develop the domestic manufacturing technology for them.[2]

Agriculture and food processing: Despite its scale, India's share in global agricultural exports is only around two to two-and-a-half percent. The encouraging side: over 12 years, the share of processed food in agri-food exports has risen from 13 percent to over 20 percent. The Prime Minister remarked on the corporate world's hesitation in investing in agriculture and called for dependable procurement systems and product lines aligned with overseas demand.[1]

Engineering and machinery: India's share in global exports of hand tools and power tools remains small. Markets for packaging equipment, irrigation systems and factory machinery in developing countries and the Global South are waiting; large companies can help smaller enterprises build quality manufacturing capacities.[2]

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What the government gave, what it asked of industry

Tax and system changes: The key changes recounted in the speech: the basic corporate tax rate was cut from 30 percent in 2014 to 22 percent; income up to 12 lakh rupees was exempted from income tax, raising people's purchasing power; the returns-and-refunds system was simplified and refunds that once took eight months now arrive within a week; GST reforms lowered taxes on many products, boosting demand and directly benefiting industry and business houses.[2]

Trade agreements: In recent years India has entered into trade agreements with many countries. The Prime Minister asked whether industry had made any plan to seize the doors those agreements have opened.[2]

An open door: He asked industry to write to him without hesitation about which reforms are still needed, "this is not like the old governments; this is a government that knows how to maintain friendships."[2]

Profits rose, but where is the sharing?

The sharp questions: Citing the tax relief given, the Prime Minister asked the assembled industry leaders: "Did you increase the salaries of your employees? Did you increase the number of employees? No."[2]

The issue: The government's rationale was that corporate tax cuts would leave companies with more funds for investment and expansion, and income-tax relief would raise consumers' purchasing power, whose demand would benefit industry. When profit growth does not translate into wages and jobs, the inclusiveness of growth (inclusive growth) comes into question, this is the exam-relevant core of the speech.

Understanding the balance: Corporate profit growth is not bad in itself; investment, expansion and innovation flow from it. The question is one of proportion, how much of the gains go into wages, employment and fresh productive investment. That proportion decides whether the demand-growth cycle stays durable.

Analysis: the real test of self-reliance

The speech merges two strands. First, self-reliance is no longer just a slogan but a value-chain strategy, wherever raw material is exported and the finished product imported, there lies the space for domestic value addition. Second, the strength of domestic demand rests not on tax relief alone but on the spread of wages and jobs. Together the two strands say that industry's role in the next two decades is not merely to earn profits but to share in nation-building.

The way forward

From industry: 'India First' in long-term investment, domestic technology for imported components and grades, investment in agri-food processing, quality partnerships with smaller companies and systematic study of global customers.

From the government: an open-door policy on industry's suggestions and sustaining the 'Reform Express' momentum. The Prime Minister described the 2047 goal, a Developed India by the hundredth year of independence, as a commitment, with industry as a key medium.[2]

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Mains practice question

"Tax relief raised corporate profits, but wages and employment did not rise in the same proportion." In the light of this question, discuss the significance of corporate responsibility for India's inclusive growth. (250 words, 15 marks)

Answer outline

1. **In the introduction:**
   At FICCI's centenary convention (19 November 2026), the Prime Minister directly asked why salaries and jobs did not rise after tax relief; the issue is the inclusiveness of growth.

2. **In the main body:**
   Government measures: corporate tax from 30% to 22%, no income tax up to 12 lakh rupees, GST cuts, trade agreements, industry benefited from each.
   Expected reciprocity: a part of profits must flow into wages, jobs and fresh productive investment; only then does the demand-growth cycle stay durable.
   Risk: concentrated gains from growth widen inequality and limit the strength of domestic demand.
   Other side: corporate profits are also the basis of investment, expansion and innovation; balance is needed, not condemnation.

3. **In the conclusion:**
   The essence of 'India First' is a partnership-based balance of profit and national interest, wages, jobs and quality are its measures.

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Frequently asked questions (FAQ)

What is FICCI and when was it established?

FICCI (Federation of Indian Chambers of Commerce and Industry) is one of India's leading apex industry chambers. It was established in 1927; the November 2026 convention formed part of its centenary-year celebrations.

What is the Prime Minister's 'India First' call?

At FICCI's centenary convention, the Prime Minister asked industry to make 'India First' the foundation of every long-term investment decision over the next 20 years, this will make the country self-reliant and open new opportunities for business.

What record did India's goods exports set in October 2026?

According to the Prime Minister's speech, India's goods exports in October 2026 reached nearly 50 billion dollars, stated to be the highest-ever monthly figure.

What is India's share in global agricultural exports?

The speech stated that India's share in global agricultural exports is only two to two-and-a-half percent, while the share of processed food in agri-food exports rose from 13 percent to over 20 percent in 12 years.

Sources

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3. FICCI, history of the institution (established 1927) (https://www.ficci.in/public/history)

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