

BHAVYA scheme

Creating Investment-Ready Manufacturing Ecosystems

PIB Analysis

The Union Cabinet approved the **Bharat Audyogik Vikas Yojna (BHAVYA)** in March 2026, with an outlay of ₹33,660 crore to develop 100 plug-and-play industrial parks across India.

The scheme aims to attract investment, support MSMEs, generate employment and strengthen manufacturing through ready-to-use infrastructure and faster approvals.

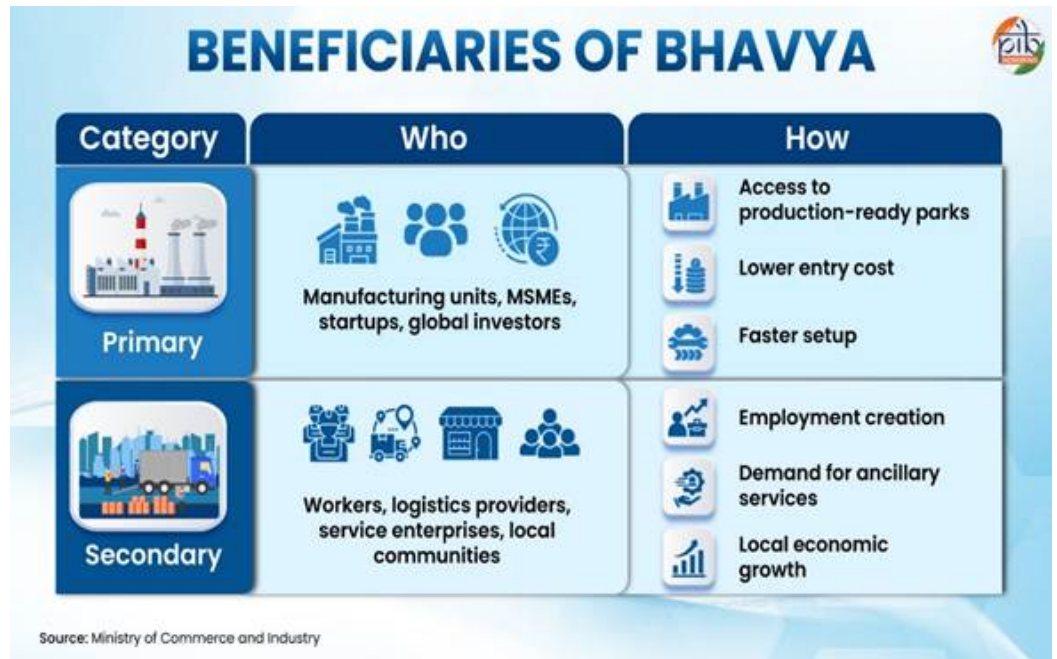


A New Phase in Manufacturing Policy

- Manufacturing contributes around 16–17% of India's GDP and employs over 27 million workers.
- The National Manufacturing Mission aims to raise its GDP share to 25% by 2035.
- Medium and high-technology industries account for 46.3% of manufacturing value addition, reflecting a shift towards technology-intensive production.
- BHAVYA promotes investment-ready industrial ecosystems to reduce setup costs, simplify approvals and strengthen India's role in global supply chains.

Policy Evolution - From Pre-2020 to Plug-and-Play Ecosystems

- Industrial Estates and SEZs - India had 370 notified SEZs as of February 2026, attracting ₹7.82 lakh crore in investment and generating over 31.7 lakh jobs.
- Industrial Corridors - The National Industrial Corridor Development Programme (NICDP) integrates industrial zones with utilities, logistics and urban services.
- Industrial Land Bank - The India Industrial Land Bank had mapped 4,164 industrial parks as of October 2026.
- BHAVYA - Expands the plug-and-play model nationwide through 100 proposed industrial parks.



Inside the BHAVYA Framework

- **Financial Assistance** - Provides up to ₹1 crore per acre for industrial park development.
- **Core Infrastructure** - Includes internal roads, power, water supply, drainage, common effluent treatment facilities, ICT-enabled administration and underground utility corridors.
- **Industrial Facilities** - Provides ready-built factory sheds, built-to-suit units, testing and certification facilities, and warehousing.
- **Worker Welfare** - Includes housing, healthcare, skill development centres and other social amenities.
- **External Connectivity** - Up to 25% of approved funding can support external road, rail and last-mile logistics infrastructure.
- **Implementation** - The scheme will run from FY2026-27 to FY2031-32. Up to 50 parks will be selected in the first phase through two challenge-based selection rounds.
- **Project Management** - Parks covering 25-1,000 acres will be developed and managed through Special Purpose Vehicles (SPVs).
- **Digital Monitoring** - The BHAVYA Portal supports project submission, appraisal, evaluation and transparent selection.

Plug-and-Play Industrial Parks - Concept and Features

- These are pre-developed industrial ecosystems offering land, trunk infrastructure, utilities and common facilities before industries begin operations.
- Single-window systems and streamlined approvals help reduce initial costs and delays, enabling faster transition from investment to production.
- India has 260 plug-and-play industrial parks, while the Union Budget 2025-26 allocated ₹2,500 crore for their development.
- The model is expanding into specialised facilities, including chemical parks under the BHAVYA-Rasayan Scheme approved in July 2026.



States	Count of Park
Andaman & Nicobar Islands	6
Andhra Pradesh	5
Assam	1
Bihar	25
Chandigarh	1
Chhattisgarh	49
Delhi	4
Gujarat	22
Haryana	6
Jharkhand	19
Karnataka	6
Madhya Pradesh	73
Maharashtra	8
Manipur	1
Mizoram	2
Nagaland	5
Odisha	1
Puducherry	1
Punjab	1
Tamil Nadu	10
Uttar Pradesh	2
Uttarakhand	12
Total	260

Source: IILB, Ministry of Commerce and Industry

As of 14 October 2026

Dholera SIR - An Integrated Industrial City

- Dholera Special Investment Region in Gujarat is developing as an industrial hub for

semiconductors, aerospace and defence, solar manufacturing, green hydrogen, biotechnology and heavy engineering.

- Land allotted - 495 acres across 11 plots.
- Investment potential - ₹97,328 crore.
- Employment potential - Over 6,000 jobs.
- Connectivity to ports, airports, expressways and the Dedicated Freight Corridor supports access to domestic and global markets.

Towards a New Manufacturing Ecosystem

- BHAVYA marks a shift from conventional industrial estates towards integrated, infrastructure-ready manufacturing hubs.
- By reducing setup delays, improving connectivity and simplifying approvals, it aims to attract investment, support MSMEs, create jobs and strengthen India's global manufacturing competitiveness.

Reference

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