

Make In India in Indian Economy

By

Dr. Md. Danish Shabbir

(Research Fellow)

Deptt. Of Commerce

B.R.A.Bihar University Muzaffarpur

Abstract

India is the largest economy and second largest highly populated country in the world. India is highly effected by unemployment, illiteracy and poverty. In order to solve all these problems people in India need more employment opportunities coupled with other facilities like education, skill set etc. Make in India is an initiative launched by Prime Minister Narendra Modi. “Come make in India. Sell anywhere but Make in India” is the motto of this campaign. The main aim of this campaign is to increase investment and product manufacturing in India by both national and international companies. This campaign attracts foreign investors to invest in India and manufacturing goods in India, this encourages domestic as well as multinational companies to produce goods in India. This will lead to employment of million in the country and it will also attract many foreign companies to set up their business in India. The symbol of make in India is lion with many wheels, which is inspired from national emblem of India, indicating courage strength, wisdom and tenacity. Due to lack of resources and policies, many businessmen and entrepreneurs leave India or invest in foreign countries, causing poorer economy.

Keywords: Make In India, Growth, Made In India, Impact on Indian Economy

I Introduction

Prime Minister Narendra Modi launched the Make in India initiative on September 25, 2014, with the primary goal of making India a global manufacturing hub, by encouraging both multinational as well as domestic companies to manufacture their products within the country. It

is being led by the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Government of India, of Industrial Policy and Promotion, the initiative aims to raise the contribution of the manufacturing sector to 25% of the Gross Domestic Product (GDP) by the year 2025 from its current 16%. Make in India has introduced multiple new initiatives, promoting foreign direct investment, implementing intellectual property rights and developing the manufacturing sector. It targets 25 sectors of the economy which range from automobile to Information Technology (IT) & Business Process Management (BPM), the details of each can be viewed on the official site. It also seeks to facilitate job creation, foster innovation, enhance skill development and protect intellectual property. The logo of 'Make in India' – a lion made of gear wheels – itself reflects the integral role of manufacturing in government's vision and national development. Make in India campaign with various resources would attract many people from across the globe to invest in the country and establish their business in India. Make in India campaign was launched by government of India under Prime Minister Narendra Modi's leadership on 25th Sept' 2014 in Delhi. Leading entrepreneurs and CEOs of numerous companies from across the world attended the event. After the launch many investment commitments and inquiries emerged. The campaign has identified 25 sectors, where development is needed and with the development of these sectors would lead to rapid economic growth. The sector include – Automobile, Aviation, biotechnology, chemicals, Construction, defence, electrical machinery, food processing, IT & BPO, Media and entertainment, leather, mining, railways, hospitality, textiles and garments, tourism, automobile components, renewable energy, roads and highways etc.

II Literature Review

The manufacturing sector contributes 15% to GDP, Make in India would grow this to 25%, attract much of foreign direct investment. The objective of Make in India is to make India a manufacturing hub for all the major sectors and to make India a leading manufacturer among

various fields among different countries. Many companies from all over the world are being invited to make investment and set up manufacturing units in the country and to provide employment opportunities to skilled and talented people in the country. Thus, providing more employment thereby increasing purchasing power among public. This would also lead to healthy relationships with other countries. Also to decrease imports and increase exports, enhance research and development. The world is ready to embrace this vision and already on the path of becoming reality.

1, Growth

Many foreign companies making the investments in Make in India project thus having a great impact on the economy of India. Obviously, if the big companies will set up their branches here, it will directly affect the GDP of India. So if you are planning to start your business in India by making an investment in Make in India then first read these effects of Make in India over the economy.

The FDI under this initiative would strengthen the rupee against the domination of the American dollar

As countries from all over the world will bring along latest technology, India will have an opportunity to make use of it as it lacks in various test mechanization.

Setting up of industries under this initiative will help in the development of rural areas.

2, Made In India

India has many skilled and educated labor and mostly unemployed due to lack of opportunities in various platforms. This initiative would bring up lot of employment opportunities. Make in India focuses on creating number of job opportunities, and skill enhancement, providing a good status

for the youth of the country. The young generation has lot of skills and new ideas and but due to lack of proper channel they are not willing to stay in the country, Make in India initiative would encourage them to put their skills here and take the industrial sector to a new dimensions. It would create a demand for skilled crowd in specific sectors such as automobile, chemicals, IT, Pharmaceuticals, electrical, construction, textiles, media and entertainment, tourism, hospitality etc. More employment opportunities would increase the standards of living of public. Make in India would bring up best infrastructure in the country, by developing rural areas which would lead to development of country The most negative impact of Make in India would be on agriculture sector, the more the industrial sectors are given preference, the more agriculture sectors would be neglected. The more industries are being set up there is a danger to depletion of natural resources as the industries may take up the lands and other for establishment of manufacturing units and pollution levels may increase, small entrepreneurs may have a threat to their business. The training for labor may be a huge cost as manufacturing sectors demand highly skilled labor.

5. Impact on Indian Economy the impact of this campaign will be felt both domestically and internationally. The development of the manufacturing sector will create employment opportunities for the youth of the country, alleviate poverty, attract investments, create value for Indian goods and fix the rising trade deficit. Internationally, it will improve India's standing in the world and investors will look at India not merely as a market but as an opportunity.

The interaction between domestic and international firms will, inevitably, help transform domestic firms into MNCs. The government has backed this campaign by taking steps such as:

Setting up 'Invest India' (will act as the first reference point for assisting investors)

Setting up a dedicated web portal "<http://www.makeinindia.com>" to resolve all queries

Setting up of an expert panel to redress grievances and handle queries of global and domestic investors within 24 hours

Raising FDI caps in railways and defence production to 100% and 49% respectively

The environment of positivity created by this campaign has significantly improved the perception of the Indian economy.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers. The new rankings are indeed a boost for the economy, but much more is needed to be done on the ground. For example, when it comes to starting business, the ranking has slipped by one notch to 156 from 155 from 2016. In this field, government needs to do much more if its wants 'Start Up' India programme to succeed. India also fared lower in the areas of registration of properties and enforcing of contracts. It reflects slow progress in land and labor reforms. Thus, the new rankings may give a motivational cheer to the government, but it still had to move miles ahead for full-fledged celebrations. India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest start up base in the world with over 4,750 technology start-ups. India's labor force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labor force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI

III. Methodology

This national program was designed to transform the country into a global business hub. Because it contains attractive proposals for local and foreign companies. This campaign focuses on creating a number of valuable and honoured jobs. It is also providing skill enhancement in almost every sectors for improving the status of youths of the country.

Advantages of Make in India

The successful implementation of this plan will definitely fulfil the following major objectives:

1. To ensure solid growth and valuable employment creation in the country.
2. With the help of top investors country will become completely self-dependent in the manufacturing sector.
3. It will provide the benefits to both parties, i.e. the investors and our country.
4. Make in India will also help the companies for creating their brand values in the global market.
5. It will definitely help for the growth of Indian GDP as well as to increase the value of Indian currency
6. Our own investors will retain in the country itself, who were planning to move their business outside India due to lack of resources and clarity on policy issues.
7. Due to this fact companies from across the globe making a huge investment in Make in India project,

Policy Structure of Make in India

The government of India is making a huge effort in order to reduce any type of burden on investors. Due to this, there is an arrangement of a dedicated web portal for solving all the queries from business entities. This portal www.makeinindia.com is now receiving an excellent response. Government has created a dedicated back-end support team, so that response can be given within 72 hours of duration.

Almost 25 key sectors like aviation, chemicals, IT, automobiles, textiles, ports, pharmaceuticals, hospitality, tourism, wellness, and railways have been identified by the government to work for the investors and become a world leader.

Disadvantages of Make in India

Now let's have a look some probable disadvantages of Make in India. On these aspects, the government must apply some corrective measures.

1. Negligence of Agriculture
2. Depletion of Natural Resources
3. The loss for Small Entrepreneurs
4. Disruption of Land
5. Manufacturing based Economy
6. Interest in International Brands
7. Pollution
8. Bad Relations with China

Conclusion

The Make in India project also has a website, which highlights each of the sectors, with statistics, necessity to invest, policies for investors, government support and other FAQs related to the campaign. Despite the campaign has gained much popularity, it has its share of criticism. It is said the labor reforms and policy reforms which are most important for make in India have been implemented yet.

Well, the program is growing strong and is focused on transforming the country into a global business hub. The campaign would encourage foreign investors and countries to invest in Indian manufacturing sector. If the plan is implemented successfully it would help in 100 smart cities and affordable housing in India. The main aim is to provide as much as employment opportunities, solid economic growth and to attract capital investment in India. These kinds of initiative will make India a dominant in manufacturing industry. It is a part of nation building activities. This also aims at high quality standards and minimizing the impact on environment. The campaign would also reduce the waiting time of manufacturing projects, and encourage corporate firms to do business in India.

The campaign is being received in a friendly manner by world and the objective of transforming the country into a global manufacturing and business hub will surely be met. This will benefit both the parties, country and investors. Make in India is a long term ambitious project but it will definitely help in economic development of the country. Make in India initiative has been highlighted at all key international events and has become the fastest and largest growing government initiative. This initiative would be a great source of creating employment both for men and women, educated and uneducated and help them increase their standard of living thereby leading a happy and peaceful life in a dignified way.

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