

Why ‘Make in India’

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Abstract—Economies in today’s world are very important. India has the potential and opportunities are in plenty. Our Prime Minister Shri Narendra Modi’s initiative of ‘make in India’ on 25th September 2014 was for transforming India into a global manufacturing hub. All the production forces will be exploited show that the contribution of manufacturing sector in G.D.P will raise from 16% to 25% by 2022. All these would create 100 million jobs in the manufacturing sectors. Countries who can control their imports and expands their exports would be the leaders. Start-ups would play a very critical role in the future economic development.

However before this we need to look into some basic problems. This paper tries to see how ‘make in India’ would address to this problems. The study would show how ‘make in India’ together with digital India would take our economic to new highs
The paper is based on secondary data collected from journals, news reports, magazines and annual report.

1. INTRODUCTION

I want to highlight 4 problems of Indian economy which are very critical

1. POPULATION = 133, 70, 28,870 which is equivalent to 17.86% of the world’s population and it is increasing by 1.08% every year. Data provided by U.N.O – Department of Economics and Social Affairs. The demography of the population is such that 65% is under 35 year and half of the country’s population is under 25 years of age. Our strength is labour force but at the same time it is our weakness as we have to provide jobs for them.
 2. POVERTY = Over 20 core Indians sleep hungry every night –U.N.O Health Organisation
 3. India is the largest importer of weapons in the world for the last 5 years, around 2.75 lacks Core every year. –the Hindu
 4. Almost 80% of India’s curds oil requirement have to be imported – Petroleum Ministry.
- From the above we can say that we need to create jobs, reduce our imports and increase our export.

SOME MORE FACTS

We export jute, metals and minerals and import finished products from this raw materials.

We are suffering from current account and trade deficit.

We import ply, tiles, electronics automobiles and luxury goods.

Highly uneven distribution of wealth.10% Holds 60% of the wealth and 20% holds 80%.

High corruption - 79 out of 175 countries.

Rigid bureaucracy-worst in Asia-9.21 out of 10 where 10 is the worst score.

2. LITERATURE REVIEW

In his paper Make in India-issue Manjit Kaur put various issue to be dealt with like ease of doing Business, acquiring lands, improving employability, capacity addition in the power sector Development of roads and highways. He concluded with the challenge to make ‘Make in India’ an economically viable and globally luring project.

Dr.Arvind Narayan Chandhan found in his study that college student accept the theme and take it as an opportunity and want to cash it. He says central Government is successful to create awareness among the college student who is our future.

Selvam V through his literature review ‘Make in India’ presented the opportunities and challenges of ‘Make in India’. His paper describes different approaches, thoughts and opinions for solving the obstacles of ‘Make In India’ a Manufacturing hub. The various Limitations could be explored and worked out.

Shalini Sood in her paper Make in India responses and vision and impact of make in India, she emphasised on low labour cost and quality of product along with modern technology necessary for the success of the project.

Suggestion of Pratiksha Mishra and dr. Taruna were building new skill and focus on vocational education. Emphasising on innovative idea and advanced technology. They concluded with the role of start ups towards make in India. The scheme also focuses on providing products with zero defects and zero effect on environment.

According to Professor J.K.Nathani Indian small and medium sized industry can play a vital role in making the country take the next big leap in the manufacturing sector. The issue highlighted by him were privatization, skill development of labour, infrastructure, foreign trade and land acquisition. He says the government should ease rules of doing business. Through budget many initiative can be taken.

3. WHAT IS MAKE IN INDIA

Make in India is a national and international appeal made by our honourable Prime Minister Shri Narendra Modi on 25th September 2014. Its motive was to create such an environment which would attract foreign investor and companies to come and create jobs in India and enhance the manufacturing sector. It include 25 sector construction, defence, IT, automobiles, aviation, chemical, electrical, food processing, pharmaceuticals, textiles and garments, media and entertainment, leather, mining, railways, auto components, wellness, tourism, renewable energy, biotechnology, road and highways, space, thermal power, electronic system. WWW.MAKE IN INDIA.COM. The concept was already there but the movement would accelerate the speed. What will guide us is Say's law 'supply creates its own demand'. We need to change our mindset, we have all requests of production land, labour, capital and technology, we just need to put them together. The start ups would be in main focus in the campaign as our future is depended on them. More assistance from the government would be given to them. Fast tracking of start up patent application would be done. The central government shall bear the entire fees of any number of patent, trademarks or design that a start up may file.



4. REFORMS UNDER THE SCHEME:-

- 100%F.D.I in Telecom, Single brand retail, aviation, entertainment etc.
- Policy to be framed to ease foreign investment.
- An investor facilitation cell has been created to guide and assist investors.
- Special management team Japan plus and Korea plus has been set up to facilitate fast track investment proposals from these countries.
- Indian trade portal has been established to remove the barriers of trade.

5. MAJOR HIGHLIGHTS OF THE PROJECT ARE:-

- Investor India cell.
- Consolidated service and faster security clearance.
- Dedicated portal for business queries.
- Interaction with the users / visitors.
- Easing of policies and law.

6. FRUITS OF MAKE IN INDIA:-

2.75 Lack new jobs created, up by 118% YOY basis [July to December 2014]

India attracted 31 billion, F.D.I. In 2015 as compared to 28 billion by china and 27 billion by U.S.A.

In 2015 our G.D.P. was growing @ 8% which attracted many foreign companies. Example Suzuki, Pasco, Hitachi, Fiat, Tetrapak, Ericsson.

B.M.W. started a car plant in Chennai.

Foxcon the manufacturer of apple I phone has announced plans for creating 10-12 facilities in India.

Hyundai heavy industries of South Korea will work with Hindustan shipyard limited to build warship in India

I.S.R.O. has a superb achievement of launching 57 foreign satellites of 21 countries.

Spice group in January 2015 announced a 500 corers investment in setting up a manufacturing unit in Uttar Pradesh.

Huawei a Chinese handset major in February 2015 launched 5000 seated research and development centre in Bangalore.

Samsung in may2015 signed an agreement with M.S.M.E. to open M.S.M.E.-Samsung digital academy.

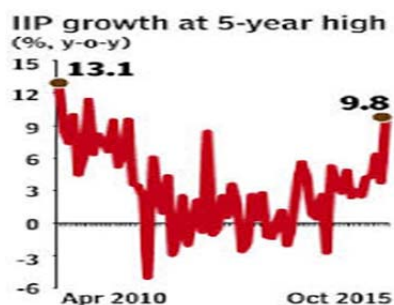
Lenovo in august 2015 said it would start local manufacturing unit in Chennai.

General motors' world world's third largest automobiles maker signed a letter of offer in July 2015 with the Maharashtra government to invest 64000 corers.

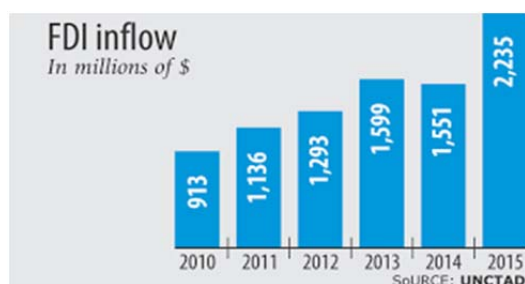
General electric and Alstom transport in December 2015 signed two joint ventures with Indian railways with an investment of 40000 corers.

Boeing and U.S. aviation manufacturer decided to assemble its helicopter in India.

7. ECONOMIC IMPACT OF MAKE IN INDIA:-



It is quite evident from the graph that the index of industrial production that after the introduction of make in India it has recovered from the negative territory and now it is positive 9.8% in 2015.



F.D.I. After falling in 2013-2014 has recovered tremendously in 2014-2015.

8. CONCLUSION

In my study it is quite evident that the concept make in India has impacted the economic growth of our country positively. Huge employment generation has been possible through this movement. The college students want to cash the opportunity through the start ups. We need entrepreneurs to shoulder the responsibility of future. We need to produce more and more of them as they are the ones who will take the Indian growth story to new highs. Start ups are to be protected and converted into entrepreneur. We need to convert the M.S.M.E. into blue chip companies of repute. India's service sector contributes 60% to G.D.P. and if manufacturing sector accelerates than no one can stop a growth rate of 20% in the very near future.

Only make in India is not enough we need to expand its horizon into made by India and made for India. In the words of R.B.I. governor Raghuram Rajan, India rather needs to make for India, export led growth or import substitution strategy may not work for the country in the current global economic scenario.

I as a teacher personally feel that we need to produce scholars who can give jobs and not one who needs job.

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