



## Make in India: Objective is to Produce in India and Sell all Over the World

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**ABSTRACT**

*Make in India is an initiative of the Government of India to encourage multinational as well as domestic companies to manufacture their products in India. It was launched by Prime Minister Narendra Modi on 25 September 2014.*

*The major objective behind the initiative is to focus on job creation and skill enhancement in twenty-five sectors of the economy. The initiative also aims at high quality standards and minimising the impact on the environment. The initiative hopes to attract capital investment in India.*

**KEYWORDS :** Foreign direct investment (FDI), capital investment, Dedicated Railway Freight Corridor (DFC), Delhi-Mumbai Industrial Corridor (DMIC), human resource

**Introduction:**

India is a country rich in natural resources. Labour is aplenty and skilled labour is easily available given the high rates of unemployment among the educated class of the country. With Asia developing as the outsourcing hub of the world, India is soon becoming the preferred manufacturing destination of most investors across the globe. Make in India is the Indian government's effort to boost the Indian economy.

It was also rolled out with the aim of creating millions of jobs in the country.

Under the 'Make in India' initiative, the government has, in the last one year, announced several steps to improve the business environment by easing processes to do business in the country and attract foreign investments.

The logo for the Make In India campaign is a an elegant lion, inspired by the Ashoka Chakra and designed to represent India's success in all spheres. The campaign was dedicated by the Prime Minister to the eminent patriot, philosopher and political personality, Pandit Deen Dayal Upadhyaya who had been born on the same date in 1916. The



Under the initiative, brochures on the 25 sectors and a web portal were released. Before the initiative was launched, foreign equity caps in various sectors had been relaxed. The application for licenses was made available online and the validity of licenses was increased to three years. Various other norms and procedures were also relaxed.

In August 2014, the Cabinet of India allowed 49% foreign direct investment (FDI) in the defence sector and 100% in railways infrastructure. The defence sector previously allowed 26% FDI and FDI was not allowed in railways. This was in hope of bringing down the military imports of India. Earlier, one Indian company would have held the 51% stake; this was changed so that multiple companies could hold the 51%.

Between September 2014 and November 2015, the government received 1.20 lakh crore (US\$18 billion) worth of proposals from compa-

nies interested in manufacturing electronics in India.

24.8% of smart phones shipped in the country in the April-June quarter of 2015 were made in India, up from 19.9% the previous quarter.

**OBJECTIVES:**

- to reduce poverty by providing employment
- To make India, a big manufacturing hub
- To increase the Economic growth in India
- To bring Foreign Investors in India

**SECTORS COVER:**

Automobiles	Electronic systems	Railways
Automobile	Food Processing	Renewable
Components	Information Technology	Energy
Aviation	and Business process	Roads and
Biotechnology	management	Highways
Chemicals	Leather	Space
Construction	Media and Entertainment	Textiles and
Defence	Mining	Garments
manufacturing	Oil and Gas	Thermal Power
Electrical	Pharmaceuticals	Tourism and
Machinery	Ports and Shipping	Hospitality
		Wellness

**POLICY AND PROJECTS:**

- Recent policy measures and projects to open up India's manufacturing sector:
- 100 per cent FDI allowed in the telecom sector;
- 100 per cent FDI in single-brand retail
- Validity of industrial license extended to three years
- For all non-risk, non-hazardous businesses, a system of self-certification to be introduced
- Process of obtaining environmental clearances made online

The Government of India is developing the Delhi-Mumbai Industrial Corridor (DMIC) as a global manufacturing and an investment destination utilizing the 1,483 km-long, high-capacity western Dedicated Railway Freight Corridor (DFC) as the backbone

**MERITS**

Foreign investment will bring technical expertise and creative skills along with foreign capital. Employment will increase manifold. This will augment the purchasing power of the common Indian, mitigate poverty and expand the consumer base for companies. Besides, it will help in reducing brain drain As stated by the Commerce Minister, Nirmala Sitharaman.

"Make in India is not a slogan but a mission to be accomplished by a single-minded commitment about new processes."

**CHALLENGES:**

Considering the intensity and multiplicity of this campaign, we need to study its challenges, and advantages, by segmenting it into different sectors. We need to admit that India, from technological point of view is lagging behind the western world, as far as manufacturing is concerned. Experts say, we are still about a decade behind advanced countries, when it comes to usage of technology and manufacturing excellence. But we can turn this situation in to our advantage. We can learn from the mistakes of the western world and try to adopt the best ever technology in the years to come. We have capabilities, we have set up and talent but we drag our own feet because of '*chalta hein*' attitude. It invokes complacency and limits our vision about quality and excellence.

Our thought about purchase or procurement is more or less 'cost centric' about technology rather than value conscious. Induction of any new technology involves significant capital investment. But focus is more about the thought, '*Kitna deti hein*'. Hence, more often than not in Indian Industry may enjoy the cost benefits but lose on value addition.

**CONCLUSION:**

We have to challenge and change this scenario. We should be more demanding and insist for superior technology or superior quality, that is used elsewhere in the advanced world. Investment in such machinery, tooling or equipments may appear high but its results and returns will be incredibly quicker and higher. In many of the Indian

industries, people insist for manual skill because they apprehend that adoption of advanced technology will result in redundancy of human resource

which is abundantly available in India. As such they resist the change and introduction of new technology. However, technology driven processes with minimum human intervention will guarantee manufacturing excellence, Make in India necessarily involves the drive to boost the manufacturing sector. However, the investors are wary of prevalent labour laws and bureaucratic hassles in India and as such, unless conducive atmosphere is created on these fronts the investments will not come as expected and Make in India drive will not accomplish desired results.

In order to make this initiative a great success, we need to be at par with the advanced world as far as usage of modern technology is concerned and we need to have more clarity, maturity and intensity on quality aspects of our products.

India's youth population is both, a strength and threat. In order to bring the huge chunk of unemployed youth power in to employment stream, India needs to create millions of jobs every year. Therefore, Make in India is not a short term programme. It will be an ongoing process, irrespective of the fact that whichever government is in power, the drive has to continue with the same thrust. However, the threats or challenges discussed above need to be overcome.

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