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ROLE OF MAKE IN INDIA IN MANUFACTURING AND CONSTRUCTION SECTOR

KEY WORDS: Make in India Campaign, Manufacturing sector, Construction sector, Job Creation.

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ABSTRACT

Prime Minister of India Shri Narendra Modi Ji conceptualized Make in India campaign on 25th September 2014 to make new Investment from Business from different countries of the world which make India a global manufacturing hub. This paper will discuss Make in India campaign, Impact of Manufacturing sectors and sectors which have a prominent effect on India's GDP, FDI policy and Job Opportunities.

Introduction

Prime Minister of India Shri Narendra Modi Ji conceptualized Make in India campaign on September 2014 as a section to built a world of such a wider set of nation building initiatives. Make in India response timely on a important situation which devised to remodel India into a global design and producing an Indian hub. The world power discussing whether the world's largest democracy was a risk or a chance. In BRICS Nations, India was labelled as a 'Fragile Five'.

The initiative of Make in India, was to developed a strong decision to change the action of India's business leaders and request the partner and investors around the world. But, Make in India is an inspiring Motto. Earlier existing policies are outdated and very comprehensive. It also represent the modification of the Government's outlook – a shift from issue authority to business partner, to keep with Prime Minister's religious doctrine of 'Minimum Government, Maximum Governance' as per the author.

The DIPP (Department of Industrial policy & Promotion) with its specialized agencies to make technological infrastructure which helps in understanding the detailed project related information in more elaborate in a simple and attractive menu. The menu includes different facts and figures, policies and project contact with any available print readable items with friendly website.

Since Make in India is an collective efforts started by DIPP. It started a process by asking a valuable participation of Union Ministries, State Government Secretaries of Indian Government, Industry Leaders & Various knowledgeable partners. A National workshop is organised on December 2014 on various industries, which brought together both the industry leaders and secretaries of Indian government to place their opinion and start a plan of action within 3 years so that it can increase the contribution of manufacturing sectors should be raised by 25% of the GDP by the year 2020.

Sector wise investment was divided with a workshop titled "Make In India – Sectorial perspective and initiatives" was conducted on 29th of December 2014 under which an action plan for 1 & 3 years has been prepared.

The ministry has involved with the World Bank group to recognise the areas of improvement in line with the World Bank's methodology "Ease of Doing Business". To boost India's ranking which are currently 130 in terms of ease of doing business, a regular workshop and several follow-up meetings were done to formulate the framework.

In September 2014 IFC (Investor Facilitation Cell) is dedicated for Make in India Campaign with an objective to help investors in regulatory approvals, supporting services through the pre investment distinct period, after care support and execution.

The potential for investment in the identified sectors the Indian Embassies and Consulates have been communicated to spread information widely.

A special management team has been setup by The Department of Industrial Policy & Promotion (DIPP) to facilitate and fast track the investment proposal from Japan known as 'Japan Plus' which launched in October 2014. Similarly in June 2016 'Korea Plus' was launched. Korean company which are wishing to enter the Indian Market, Fast Track Investment Proposals and Holistic support from South Korea is facilitated.

To facilitate the Ease of Doing Business and Investment various regulatory policies have been relaxed. Different sectors such as Defence, Railways, Space etc have been opened up for Investment.

Across the various region of the country 6 Industrial Corridors are being developed. Along with this corridor Industrial cities will also come up.

To become the world's most powerful economy the World's largest democracy is well on its way. Multiple enterprises are adopting the mantra of "Make in India" which is opening different investment doors. Today's India's credibility is stronger than ever.

Make in India is an idea which is initiated for one and only reason is to invite the commercial sectors from all over the world to invest in this campaign. After the commencement of this movement people are in support as well as against of this campaign.

"Make in India" impact in manufacturing and construction sector and job opportunities.

By promoting manufacturing sector within the country, we can make India one of the leading countries which are the prime motto of Make in India campaign. This campaign has designed policies and schemes in such a way that it clearly shows the bright future of the country. Make in India campaign is focuses on different sector of the economy. But in this paper we will discuss the impact of Make in India in manufacturing sector and especially on the construction sector.

Since the launch of "Make in India" in 2014, much progress has been achieved in following the countries producing agenda. India is the sixth largest producing nation and therefore the biggest recipient of foreign direct investment (FDI) with flow touching \$60 billion in 2016-2017, the highest ever capital flow in the country. India has co jointly improve its rank on the worldwide competitiveness index and global innovation index.

India's manufacturing sector, accounting for 16-17% of GDP holds enough untapped potential. At the recent Asian country summit in Germany Berlin, Prime Minister Shri Narendra Modi committed to remodelling Asian country into a significant player in international worth chains.

Make in India is a version 2 on the anvil to consolidate the bottom of any growth in chosen manufacturing sectors. Beside adoption of native content policy publicly pre-occupancy and implementation of products and services tax (GST) will give any impetus to build in Make in India campaign.

The main motif of Make in India campaign is to strengthen the manufacturing sector. This campaign primarily focuses on this sector simply because there is a lot of scope of growth, employment and contribution within the economy from this sector. The main initiative is to form India a global Manufacturing Hub. The main thrust of this campaign was to create requisite infrastructure and encourage simple means for the companies to try and do business in India. The aim was to extend the contribution of the manufacturing sector up to 25% of the GDP of the country's economy. Earlier the contribution was restricted up to 15% however the impact of Make in India has increased the contribution to 22.6% in the year 2015-16. In last many years this was the quickest change with in the sector.

To increase the employment ratio was another aim of this campaign. The employment opportunities can increase in manufacturing sector with the help of Make in India campaign. The poor and therefore the jobless will get a chance to involve in this sector. The employment can generate financial gain and that successively can increase the living of the people.

FDI Policy

FDI is permitted 100% which route the construction development of projects which includes developments of Townships.

Some of the condition under this sector are: -

- After the completion of project that is road, water supply, street lightning, drainage & sewerage the investor will be permitted to exit.
- In case of development of service plots no minimum land area is required.
- Minimum floor area of 20,000 Sqr Mtr is required in the project for construction development.
- FDI is not allowed in Construction of Farm House, Real estate business & Trading in TDR (Transferable Development Rights).

Investment Reason

- With the increase in demand in real estate and infrastructure project, construction in India will remain optimistic.
- Private sector will largely mobilised the funding of 70% under Swachh Bharat Mission.
- More than 8% of India's GDP is contributed by construction activity.
- Infrastructure wil invest about \$1 trillion by 2017
- Over the next 20 years urban infrastructure will required \$650 Billion.

Challenges of Make in India

- The foremost challenge of Make in India champagne is to revive agriculture sector because India has 60% of cultivative land and young population are less interested in farming and they are migrating from agriculture sector to manufacturing and construction sector.
- At present India is at 130th rank in scale of Ease of doing Business. To be in top 30 India has to overcome many hurdles like Infrastructure, Investor Friendly Environment, Bureaucrats, Technological up gradation, Cost of Starting Business, Construction & Environment Permission, Taxes etc.
- Interest of Small Scale Industries is getting affected by Foreign Industries who are manufacturing in India under the Make in India campaign.
- Big manufacturing Industries need huge power demand, to fulfil this criteria Indian Government should improve its power capacity so that Industrial sector does not suffer from power failure.

Conclusion

- To make this campaign successful it should provide environment to encourage new opportunities, young talents, Business Ideas, Industrial growth and development, research and development, infrastructure, ease of doing business policies etc. So that it can create million of job opportunities for the youth in India and Brain Drain can be reduced.
- India can maintain a GDP growth of 10-11% in coming years and to help this Government has taken many steps to boost Investment with the help of Make in India campaign which will make India a global Manufacturing hub.

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