



Review Article

Make in India: Perspective, Challenges and Opportunities

Dr. Kaushlendra Dixit

Department of Political Science, National P.G. College, Bhongaon, Mainpuri, U.P.

Abstract

Make in India campaign was launched in new Delhi by the Prime Minister Narendra Modi on 25th of September in 2014. It is an initiative to make a call to the top business investors all across the world (national or international) to invest in India. It is a big opportunity to all the investors to set up their business (manufacturing, textiles, automobiles, production, retail, chemicals, IT, ports, pharmaceuticals, hospitality, tourism, wellness, railways, leather, etc) in any field in the country. This attractive plan has resourceful proposals for the foreign companies to set up manufacturing powerhouses in India. Make in India campaign launched by the Indian government focuses on building the effective physical infrastructure as well as improving the market of digital network in the country to make it a global hub for business (ranging from satellites to submarines, cars to software's, pharmaceuticals to ports, paper to power, etc). The symbol (derived from national emblem of India) of this initiative is a giant lion having many wheels (indicates peaceful progress and way to the vibrant future). A giant walking lion with many wheels indicates the courage, strength, tenacity and wisdom. The page of Make In India on the Facebook has crossed more than 120K likes and its twitter followers are more than 13K within few months of launching date.

This national program is designed to transform the country into a global business hub as it contains attractive proposals for top local and foreign companies. This campaign focuses on creating number of valuable and honored jobs as well as skill enhancement in almost 25 sectors for improving the status of youths of the country. The sectors involved are automobiles, chemicals, IT & BPM, aviation, pharmaceuticals, construction, electrical machinery, food processing, defense manufacturing, space, textiles, garments, ports, leather, media and entertainment, wellness, mining, tourism and hospitality, railways, automobile components, renewable energy, mining, bio-technology, roads and highways, electronics systems and thermal power. The successful implementation of this plan will help in the 100 smart cities project and affordable housing in India. The main objective is to ensure solid growth and valuable employment creation in the country with the help of top investors. It will benefit both parties, the investors and our country. The government of India has created a dedicated help team and an online portal (makeinindia.com) for the easy and effective communication of investors. A dedicated cell is committed to answer all the queries from business entities anytime.

Keywords: *companies, manufacturing, electrical machinerm, employment creation.*

Copyright©2019 Dr. Kaushlendra Dixit This is an open access article for the issue release and distributed under the NRJP Journals License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Introduction

Make in India scheme is an initiative to facilitate and augment the manufacturing industry in India. In other words, it can also be said that this program is intended to increase the GDP of the Indian economy. This scheme was launched by Bhartiya Janta Party government (BJP)

under the leadership of visionary Prime Minister Mr. Narendra Modi in the very same year of 2014, to which they come into the majority. Besides promoting manufacturing and employment sector in the country it has set various wide array of

targets which are meant to change the entire economy of the country positively.

Make In India Program This program is a great dream of most visionary and influential Prime Minister of India, Mr. Narendra Damodar Modi, who initiated this economic reform-oriented program on 25 September 2014 in a way to improve the employment and manufacturing industry in India. This program has a wide scope, associated with different sectors of the economic environment of the country. This program is specifically designed to promote the enlisted or targeted, 25 various sectors, which were badly in a need of such reforms. In a way to make this program designed in more wise and appropriate way, it was entrusted to Wieden & Kennedy, which is a foremost marketing firm, known for their earlier project work for Nike. It is intended and approved to facilitate the foreign direct investment and domestic companies in manufacturing their products in the Indian vicinity.

Reason Behind The Campaign

Make in India is launched by GOI, by PM Narendra Modi to attract the Foreign Investors to invest in India and manufacture products and Goods in India.

The government of India is running this campaign to encourage the domestic as well as Multinational companies in order to manufacture goods and products in India.

Since India is growing very fast and developing tremendously, India Need employment as well as manpower, so by looking at this, the effort made by PM and he launched Make in India campaign. The

campaign was launched on 25th of September 2014 in Vigyan Bhawan which is in New Delhi and This was launched by Prime Minister Shri Narendra Modi.

Perspective: Make in India is the name given to the program to make India a base for off-shored manufacturing. The idea is to create large scale employment, based on our very large pool of low wage labor.

This is what Japan did after the second world war. They gradually moved up the value chain, and the gap was filled first by Korea-Taiwan, then by Asean, and then China stepped in in a huge way. China too is moving up the value chain, and our netas think that India can step in.

This is simplistic thinking coming from simpletons who are disconnected from the world or are painfully slow on the uptake. The era of off shored manufacturing is seeing its dusk, maybe has another 10–15 years to go for the least value added products (read banyans). Technologies are transforming manufacturing. Techs like robotics and 3d additive manufacturing means that it costs the same, perhaps less, to manufacture in California than in China. And it means a phenomenal reduction in supply chain networks and risks.

Challenges

There are five major challenges that loom for Modi's mission that are not easy to surmount. And that might mean a baptism by fire. Here they are.

1. Where Is the Money? – India needs funds to build industries, which in turn need infrastructure, which is in itself in short supply and requires more finance. The Make In India week is happening at a time the Supreme Court wants to know

about the pile-up of bad loans in India's banking system which is not in a position to lend much unless its balance sheets are cleared. State-controlled banks are neck-deep in losses after making provisions to cushion bad loans. If the government pumps in more to save them, it would have less to spend on infrastructure. India's bad loans total R 443,000 crore, most of it from the corporate sector, which is hardly in a position to take up massive investments. That would leave foreign direct investment (FDI) as the best bet, but that cannot come in big doses unless other issues are resolved, especially in the ease of doing business. A bankruptcy law to enable smoother shut-down of companies is yet to be passed.

The government is said to be wooing oil-rich Gulf countries to participate in the R 40,000-crore National Investment and Infrastructure Fund. Amid a global fall in oil prices, there may be caution all around. Most of the investment projections being made are considering a longer term.

2. Robots block the way: You can start manufacturing in India, but will they create jobs that last? India's public sector companies erected by Prime Minister Jawahar Lal Nehru in the 1950s were cocooned in protectionist policies. In the new scheme of things, can India look for human employment on a large scale when robots may take over manufacture worldwide -- and still stay competitive?

Vivek Wadhwa, Stanford University fellow who is at the forefront of alerting the world on the robotic threat, told the BBC recently that it was now "indisputable" that a new kind of industrial revolution was in the offing – one that won't require many humans. "In a decade

or two you'll find that robots and artificial intelligence can do almost every job that human beings do. We are headed into a jobless future," he says. Scary? Just think of Google's self-driving cars – and the fact that your smartphone is now good enough to be an ECG machine on the basis of an app. (Small consolation: some jobs may be had in making robots. Tata Motors is perfecting one, expected in under two months. It was showcased, somewhat ironically, at the Make In India event)

3. Don't Forget The Unions – What do Maruti, Nokia, Ford and Hyundai have in common? All have had had strikes and protests in India at their manufacturing plants in the past two years alone. Unlike in China, where a communist government can (strangely) keep workers in control and wage costs in check, India has labour laws and organised unions that can hinder smooth expansion. It is not easy for the Modi government to change laws to make a dramatic impact.

The Congress-affiliated Indian National Trade Union Congress controlled more than 33 million workers as of two years ago. The BJP-friendly Bharatiya Mazdoor Sangh (BMS), controlled 17 million. Communist party-run unions had 20 million on their rolls.

4. Slow Train To Skills: A report by consulting firm Ernst & Young said in 2012 that India lags far behind other nations in imparting skills training to its workers. Not too much has changed since then. While engineering colleges mushroom, the same cannot be said of industry-specific technical skills for shop floors. A major effort has got underway under the National Skill Development

Corporation (NSDC), but this needs time to develop.

The government's Economic Survey said last year that the skilled workforce in India is counted at a mere 2%, while the NSDC estimated a need for 120 million skilled people in the non-farm sector– which would make it 10% of the population at current levels. Dearth of vocational education facilities and lack of training facilities are a key part of India's industrial landscape.

5. Research Needs Overhaul: India's industry has grown over the past six decades either through pampered public sector companies or through domestic industries enjoying access to a market protected by customs duties. Long-term competitiveness now required in an open global environment needs huge investments in research and development. While India is home to R&D facilities for many global companies, Indian companies have been slow to embrace R&D. Groups like the Tatas and Mahindras are bucking the trend now, but they are toddlers in a global landscape. Indian companies now need to dovetail their efforts with the state-run Council of Scientific and Industrial Research, which has historically led R&D in India with its 38 national laboratories and more than 13,000 scientific personnel. But CSIR is seen as a slothful bureaucracy. Can huge cultural gaps be overcome to create productive research?

Opportunities

1. Develop Job Opportunity

One of the main purposes of Make in India crusade is to provide job opportunities for as many citizens of India as possible. It has targeted the young generation of the

country as its prime beneficiary. The investments in the targeted sectors, i.e. telecommunications, pharmaceuticals, tourism etc. will encourage the young entrepreneurs to come forth with their innovative ideas without worrying about the source of speculation.

2. Ameliorate the Vicinity

In order to manufacture in India, a particular industry requires a promising location to set up machinery as well as factories. To fulfill this requirement, not only the areas were chosen would be improved but also the neighboring locations will be highly benefited.

For a developing nation, such as ours' an initiative of this kind is extremely crucial. In addition, the labor hired, from the locality would also improve the financial status of the families living nearby.

3. Expand GDP

Due to the manufacturing of products in India, economic growth is inevitable, which will not only boost the trade sector but also will increase the GDP of Indian economy as with the setting up of new factories and various investments being speculated in the Indian commercial sectors the flow of income will be humongous. Various sectors such as exportation, architecture, textiles, telecommunications etc. are likely to flourish inevitably, strengthening the Indian economy which is already the seventh largest in the world.

4. Fortify the Rupee

The emergence of the manufacturing industries would automatically convert India into a hub for the fabrication of various commercial products; as a result,

there would be a grand collection of the FDI, which, in turn, would strengthen the rupee against the domination of the American dollar.

5. Increase in Brand Value

Most of the urban population prefer international brands rather than putting their faith in Indian retailers. As a result, the small manufacturing companies suffer an extreme loss in the market.

Due to the Make in India campaign, such small manufacturers will be provided with a real shot at the business. With, companies investing in such small time retailers from all around the world, the brand value of Indian merchandise will increase dramatically.

6. Up-Gradation of Technology

India being an underdeveloped country obviously lack various latest mechanization, which, is a big hurdle in the path to development of the nation. Hence, with the myriad of countries coming forth by the make In India crusade, India will be given the opportunity to make use of the latest technology these countries bring along. Not only will India benefit from the knowledge and use of the technology but also, the concerned nations will be provided with a skilled and erudite labor.

7. Ease of Business

India is a nation which ranked 130th on the ease of doing business scale. But with the open invitation given to the entire world to manufacture their products in India, the various restrictions opposed over the entrepreneurs will be lifted and aspiring businessmen from all over the globe could invest in India with no stress at all.

8. Availability of Young Minds

Most of the young generation of India plans to move out of the country in the hope of a better future. Due to the lack of young labor, India has always been deprived of innovative and new ideas. With the Make in India campaign, the young population would not only be provided with employment but also their young and fresh minds would take the industrial sector to new heights. Making it a win-win situation for the India as well as the concerned countries. For more on how Indian young minds are starting their own start-up by remaining in India.

Conclusion

Make in India Campaign was launched by PM Modi in order to do investment from foreign investors in India as well as to increase the employment level of the country. India is the largest democracy in the world and also has the second highest population in the world with 1.25 billion people. People in India face many problems in their daily life. India is also affected by illiteracy, unemployment, falling male-female ratio, corruption, poverty, lack of health, education and hygiene facilities. From last few years, the scenario is changing. Many initiatives have been started by the Government of India and Prime Minister of India Mr Narendra Modi to face those problems. Campaigns and schemes like Digital India Campaign, Swaccha Bharat Abhiyaan, Beti Bachao-Beti Padhao campaign, Make in India campaign, National Literacy Mission Programme, Pradhan Mantri Kaushal Vikas Yojana and many more are initiated to face the problems faced by India.

Make in India is an initiative launched by the Government of India to encourage multinational, as well as national companies to manufacture their products in India. It was the part of a wider set of nation-building initiatives. It was launched by Prime Minister Narendra Modi on 25 September 2014. The main objective make in India initiative is to focus on job creation and skill enhancement in various sectors of the economy and it also aims at high-quality standards and minimizing the impact on the environment. The initiative hopes to attract capital and technological investment in India. Make in India campaign focuses on 25 industries. Some of them are Automobiles, Oil and Gas, Aviation, Chemicals, Railways, Mining, Pharmaceuticals, Electronics, Food Processing and other industries. 'Make in Maharashtra' is an initiative started by the Government of Maharashtra state on the sidelines of the Make in India initiative whose main objective is to create a business-friendly atmosphere in Maharashtra by increasing ease of doing business as much as possible.

A "Make in India Week" event was held at the MMRDA Grounds at the Bandra-Kurla Complex in Mumbai from 13 February 2016. The week long multi-sectoral industrial was attended by 2500+ international and 8000+ domestic, foreign government delegations from 68 countries and business teams from 72 countries. 17 Indian states, mostly BJP-ruled, also held expos. At the close of the event, DIPP Secretary Amitabh Kant stated that it had received over 15.2 lakh crore worth of investment commitments and investment inquiries worth 1.5 lakh crore. Maharashtra led all other states receiving 8 lakh crore of investments. With the rising

demand for electronic hardware by 2020, India has the potential to become an electronic manufacturing hub.

In making public relation "Zero Defect Zero Effect" is a slogan coined by Prime Minister of India, Narendra Modi which signifies production mechanisms wherein products have no defects and the process through which product is made has zero adverse environmental and ecological effects. The slogan also aims to prevent products developed from India from being rejected by the global market. Aarisa Pitha of Jharkhand, Gushtaba of Kashmir, Chicken Curry of Punjab, Khakhra and Khandvi of Gujarat, Bamboo Steam Fish, Vada and Medhu Vada of Karnataka, Khaja and Inarsa of Bihar and Kebab of Uttar Pradesh and Puran poli of Maharashtra have been selected as traditional regional food to be promoted in the campaign.

"Come make in India. Sell anywhere, [but] make in India." Prime Minister Narendra Modi said while introducing his vision to the public. And it seems that the world is more than ready to embrace this vision, which is already set on a path to become a reality. The 35th edition of the India International Trade Fair (IITF) held at Pragati Maidan in November 2015, had Make in India as its theme.

This national program is designed to transform the country into a global business hub as it contains attractive proposals for top local and foreign companies. This campaign focuses on creating number of valuable and honored jobs as well as skill enhancement in almost 25 sectors for improving the status of youths of the country. The sectors involved are automobiles, chemicals, IT &

BPM, aviation, pharmaceuticals, construction, electrical machinery, food processing, defense manufacturing, space, textiles, garments, ports, leather, media and entertainment, wellness, mining, tourism and hospitality, railways, automobile components, renewable energy, mining, bio-technology, roads and highways, electronics systems and thermal power.

The successful implementation of this plan will help in the 100 smart cities project and affordable housing in India. The main objective is to ensure solid growth and valuable employment creation in the country with the help of top investors. It will benefit both parties, the investors and our country. The government of India has created a dedicated help team and an online portal (makeinindia.com) for the easy and effective communication of investors. A dedicated cell is committed to answer all the queries from business entities anytime.