Impact of ‘Make in India’ on India Economy

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Abstract: Make in India an incredible initiation taken by our honourable PM Narendra Modi on 25th September 2014. This helps industries to establish their manufacturing bases in India. The main goal is to make India, a global manufacturing hub. The promise of the BRICS Nations (Brazil, Russia, India, China and South Africa) had faded, and India was tagged as one of the so-called ‘Fragile Five’. The aim of this research is to find out the impact of Make In India on India economy.

Keywords: Make in India, FDI, and Manufacturing.

INTRODUCTION:
Make in India is an invitation to the world top companies to come and set up manufacturing hubs in India. It basically has the motto "Sell anywhere in the world but manufacture in India". Make in India is essentially a project to encourage domestic manufacturing to boost job creation and skill enhancement.

Logo: The Make In India logo is derived from India’s National Emblem. The wheel denotes the peaceful progress and dynamism – a sign from India’s enlightened past, pointing the way to a vibrant future. The prowling lion stands for strength, courage, tenacity and wisdom – values that are every bit as Indian today as they have ever been.

The main focus of Make in India is on following sectors:

<table>
<thead>
<tr>
<th>Automobiles</th>
<th>Food Processing</th>
<th>Renewable Energy</th>
<th>Roads and Highways</th>
<th>Space</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobile Components</td>
<td>Defence Manufacturing</td>
<td>IT and BPM</td>
<td>Oil and Gas</td>
<td>Textiles and Garments</td>
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<tr>
<td>Aviation</td>
<td>Electrical Machinery</td>
<td>Leather</td>
<td>Pharmaceuticals</td>
<td>Thermal Power</td>
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<tr>
<td>Chemicals</td>
<td>Electronics System</td>
<td>Media and Entertainment</td>
<td>Ports</td>
<td>Tourism and Hospitality</td>
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<tr>
<td>Construction</td>
<td>Food Processing</td>
<td>Mining</td>
<td>Railways</td>
<td>Wellness</td>
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LITERATURE REVIEW:
Paper Role of HR and Financial Services in Making “Make in India” Campaign a Success by Samridhi Goyal, Prabhjot Kaur, Kavalkpreet Singh, IOSR Journal of Business and Management (IOSR-JBM) e-ISSN: 2278-487X, p-ISSN: 2319-7668, Volume 17, Issue 2 Ver. IV (Feb. 2015), PP 20-24 www.iosrjournals.org (www.crisil.com/crisilyoung-thought-leader/dissertations) focuses on the key role of HR and Financial services in the implementation and growth of Make In India a successful campaign. Researchers indicate how the financial strategies help in formulation the campaign. Can “Make in India” make jobs? the challenges of manufacturing growth and high-quality job creation in India by Russell A. Green Will Clayton fellow, International economics James a. Baker iii institute for public policy Rice University (http://bakerinstitute.org/files/8588/ , 2014) stated that there is major Job issues and problems in India, therefore researcher finds that the modern service sector and the formal manufacturing sector are the true growth sectors for India. Both have exhibited moderate job creation on a low base. Formal-sector manufacturing, however, has the most potential for transformation under a more supportive policy regime. Researcher suggest that India needs to achieve two objectives: creating new jobs and shifting more workers into high-productivity sectors. Meeting both can provide large economic headwinds to the Indian economy for several decades. Researcher focusing on the employment
generation, boosting trade and economic growth, safeguard and sustain the overall development of INDIA and its citizen. He stated that fostering innovation, intensify skill development, generate employment opportunities, preventing brain drain and making the use of internationally standardized technology affordable for INDIAN citizens. In order to make INDIA a manufacturing hub its human resource and financial assistance will play a major role.

OBJECTIVES:

1. To study the Make in India concept.
2. To study the Impact of Make In India on India Economy.

DISCUSSIONS: Limelight’s of campaign

<table>
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<tr>
<th>Sr. No.</th>
<th>Month/Year</th>
<th>Achievements</th>
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| 1       | January/2015 | I. A MoU was signed between the Spice Group and the government of Uttar Pradesh stating that Spice would start a mobile phone manufacturing unit there, with an investment of Rs 500 crore.  
II. Samsung said it will manufacture the Samsung Z1 in its plant in Noida. |
| 2       | February/2015 | I. Hitachi committed to the initiative. It said it would increase its employees in India from 10,000 to 13,000 and would try to increase its revenues from India from ¥100 billion in 2013 to ¥210 billion.  
II. On 11 August 2015, the company announced the first manufacturing unit was operational and introduced the Xiaomi Redmi 2 Prime, a smart phone assembled at the facility.  
III. Huawei opened a new R&D campus in Bengaluru. It had invested $170 million to establish the centre. It is also in the process of setting up a telecom hardware manufacturing plant in Chennai. |
| 3       | June/2015    | France-based LH Aviation signed an MoU with OIS Advanced Technologies to set up a manufacturing plant in India to manufacture drones. |
| 4       | August/2015  | I. Foxconn announced it would invest $5 billion over five years to set up R&D and hi-tech semiconductor manufacturing facility to be set up in Maharashtra.  
II. Lenovo announced that it had begun manufacturing Motorola smartphones at a plant in Sriperumbudur near Chennai, run by Singapore-based contract manufacturer Flextronics International. |
| 5       | October/2015 | Boeing Chairman James McNerney said the company could assemble fighter planes and either the Apache or Chinook helicopter in India. |
| 6       | November/2015| The ministry of railways signed formal agreements with Alstom and GE Transport worth Rs 40,000 crore ($5.9 billion) to set up locomotive manufacturing factories in Madhepura and Marhaura in Bihar. |
| 7       | December/2015| I. Qualcomm announced that it was starting a Design in India programme to help mentor up to 10 Indian hardware companies with the potential to come up with innovative solutions and help them reach scale.  
II. Vivo Mobile India began manufacturing smart phones at a plant in Greater Noida. The plant employs 2,200 people. |

RESEARCH METHODOLOGY:

<table>
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<tr>
<th>Research Type</th>
<th>Descriptive Research</th>
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<tr>
<td>Type of Data</td>
<td>Secondary data gathered from Newspapers, Bulletin Boards, Research papers, Websites</td>
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LIMITATIONS OF THE STUDY:

1. The study purely depends on published data and information. No primary data is being collected.  
2. The methods used to gather secondary data is not appropriate to showcase the present scenario.
Problems faced in implementation of Make in India: India economy ranks low on the "ease of doing business index". Labour laws in the country are still not appropriate according to the Make in India campaign. This is one of the universally noted disadvantages of manufacturing and investing in India.

1. Opportunity cost - Is this the right time and strategy to divert our focus from Service sector to Manufacturing sector? Service sector contributes roughly more than 50% of the total nominal GDP!!

2. Pollution - While majority of countries are taking measures to counter the pollution effect, we are going towards that problem?? If we really grew as fast as we project, in manufacturing, we sure as hell need solution for pollution even before it starts. Many cities in India are already under ‘Radar’ of being 10 times more polluted than what it ought to be.

3. Unlike China, our best resource is Man power, which generally favours service, we have a larger part of population which can speak good English and well around educated unlike Chinese in general.

Conclusion
Make in India is progressive project, but it is one that India desperately needs to stimulate and sustains its growth momentum. It is not a short-term program, it an on-going going process with needs to be implemented with a great pace.

REFERENCES