

# Make in India: A Brief Study on Initiative for Development

Dr. Swati Pandey<sup>1</sup>, Dr. Vipin Agrahari<sup>2</sup>

<sup>1</sup>Guest lecturer in Commerce Department, Govt. J.M.P. College Takhatpur, Bilaspur, Chhattisgarh, India

<sup>2</sup>Assitant Professor of Commerce, Govt. J.M.P. College Takhatpur, Bilaspur Chhattisgarh, India,

## Abstract:

India's economy, which ranks as the fifth largest in the world by nominal GDP, is one of the fastest expanding in the world. The government of India's Make in India effort aids in facilitating investment, encouraging innovation, enhancing skill development, and protecting intellectual property, build the infrastructure for manufacturing. The Make in India Campaign, an international marketing campaign, was introduced on September 25, 2014 by Indian Prime Minister Narendra Modi in an effort to draw foreign investment and establish India as a global manufacturing hub. This "Make in India" program offers guidance to foreign investors, rapid help, timely responses, pertinent information, and a proactive attitude. The Indian government, realizing that the service sector cannot be the only engine of the economy despite making up around 55–60% of the GDP, is attempting to utilize its fast expanding workforce in a constructive manner. The study solely relies on secondary data. The information is gathered from a variety of sources, including scholarly studies, government publications from the Ministry of Commerce and the Government of India, numerous RBI bulletins, and trusted websites. According to the report, Make in India will significantly alter industries like those in the automotive, aerospace, biotechnology, defense, media, thermal power, oil, and gas, as well as manufacturing sectors. So, even though "Make in India" was implemented at the perfect time, its implementation still presents significant challenges.

**Keywords:** Govt. of India, India's Economy, GDP, Innovation, and Domestic Product.

## Introduction:

The government of India launched Make in India, a type of Swadeshi movement covering 25 economic sectors, on September 25, 2014, with the primary objective of encouraging businesses to manufacture their goods in India and enthruse with dedicated investments into manufacturing. This will help India become a hub for global manufacturing by encouraging both domestic and foreign businesses to do so. India is quickly emerging as the most popular manufacturing location for international investors. It serves as a plan of action for addressing global issues by getting ready for world-class manufacturing status and knowledge infrastructure that should generate new knowledge for advancing to global competitiveness. The manufacturing sector in India is a prime example of a sector with enormous potential. This project aims to increase the manufacturing sector's contribution to the GDP from its current 16% to 25% by the year 2025. Making use of intellectual property rights, boosting foreign direct investment, and expanding the manufacturing industry are just a few of the many initiatives that Make in

India has launched. The manufacturing sector in India is a prime example of a sector with a great potential for growth. This program's main goal focuses on 25 sectors. Automobiles, apparel and textiles, biotechnology, health care, defense, manufacturing, ports, food processing, mining, media and entertainment, information technology and business process management, pharmaceuticals, renewable energy, roads and highways, railroads, thermal power, oil and gas, space, construction, aviation, leather, chemicals, and electronic systems are among the sectors.

Additionally, it aims to preserve intellectual property, stimulate innovation, and facilitate the creation of new jobs. The "Make in India" campaign's emblem, a lion built of gear wheels, conveys the importance of manufacturing to the prosperity of the country. We need to be on level with the advanced countries, thus we are optimistic that this project will be a huge success. We anticipate that this campaign will be a huge success. We need to use current technology on par with the developed world, and we need to be more focused, mature, and clear about the quality aspects of our products. Youth in India are both strength and a menace. India must produce millions of new jobs each year in order to employ the vast majority of its youth labor force. The Make in India campaign was launched with great vigor since the new government is aware of this. While the majority of western nations are quickly aging, India will continue to be young for the ensuing decades.

### **Scope of study:**

India must also improve its infrastructure in order to maintain its position in the world economy and to keep up with the rising expectations and living standards of its people. The simplest and most crucial method for a nation to keep up with the environment is to expand its manufacturing industry. A nation's commerce and economic growth will be boosted, its infrastructure will be developed, and more employment possibilities for its population will result from more international and local sectors investing there. Therefore, the current study is focused on Make in India a development program.

### **Objectives of the Study:**

1. To research the Make in India campaign's summary.
2. To research the primary areas of the Make in India initiative.
3. Recognize the effect on the Indian economy
4. To investigate the impact of FDI on Indian manufacturing.
5. To research the main obstacles and prospects for the Make in India initiative

### **Review of Literature:**

K. Kalaivani (2015) the article entitled An Overview of a Study on the Effects of Make in India on HRM Practices. The study contributes to our understanding of how manufacture in India has affected HRM practices in our nation. The interaction between HRM practices and employment opportunities is also covered in the study. According to the study, there is a large, favorable, and significant connection between HRM practices and make in India. The study also discovered that HRM professionals need to be ahead of the cultural transformation curve with cutting-edge and interesting HRM practices since HRM practices become the means for developing new cultures.

Rishabh Bhatia(2018) According to the "Make in India: A Quantitative Approach" article, the government has been largely successful in positioning India as a hub for global manufacturing, not just

through sloganeering and propaganda, but also through incremental changes made in every sector of the economy.

S. Soundharya (2015) "Make in India - Scheme for Transforming India" The Make in India program is discussed in the paper along with its advantages, disadvantages, modifications that must be made, and some instances of the many investors who have so far invested. According to the report, the Make in India campaign unquestionably makes India a desirable investment location and a center of manufacturing and innovation on a worldwide scale.

Seema Sangwan (2015) "FDI's role in realizing Make in India" This study focuses on the changes in the FDI rate following Modi's launch of Make in India and growth as a result of the higher FDI rate. The analysis discovered a strong relationship between industrial output and FDI inflows.

### **Research Methodology:**

The study uses information gathered from secondary sources. The secondary data has been gathered from a variety of government websites, journals, research papers, newspapers, literature reviews, and numerous Reserve Banks of India bulletins etc.

### **Make in India Initiative:**

- To promote India as the most preferred global manufacturing destination to propel sustainable
- Growth; facilitate investment, foster Innovation, enhance skill development, protect Intellectual
- Property and build best-in-class manufacturing infrastructure
- Making India the easiest and simplest place to do business
- Eliminating paperwork, processes, procedures, rules & acts
- Using technology to leapfrog
- Converging & integrating Government departments

### **Make in India Campaign Main Focus Areas:**

The focus of make in India programme is on creating jobs and skill enhancement in these sectors. The following are as follows:

Automobiles, Electronic system, Ports and shipping, Auto Components, Animal Husbandary and Dairying, Agriculture & Allied sector, Food processing, Railways, Aviation, Ayush, BFSI - Fintech & Financial services, Capital Goods, Fisheries & Aquaculture, Healthcare, Road and highways, Biotechnology, Leather, Renewable energy, Chemicals, Education, Media and Entertainment, Space, Sports, Telecom, Construction, Metals & Mining, Paper Packaging, Textiles and Apparel, Defense Manufacturing, Oil & Gas, Thermal power, Pharmaceuticals, Tourism and Hospitality, Retail & E-Commerce, Information Technology (IT) and Business Process Manufacturing(BPM).

Inwhich the main and prime motive of Make in India campaign is to strengthen the manufacturing sector. This Campaign mainly focuse on this sector just becouses there is a lot of scope of growth, employment, and contribution in the economy from this sector. The main initiative is to make India, a global manufacturing hub.

**Impact on Indian Economy:**

- This campaign's effects will be felt both home and abroad. The growth of the manufacturing industry will give the nation's youth job opportunities, reduce poverty, draw in investment, add value to Indian commodities, and address the growing trade deficit.
- India's GDP is currently expected to grow by 6% to 6.8% between 2023-24. India moves up 41 positions in 7 years, to the 40th position, in the Global Innovation Index. In FY2022-23, India's total exports (including both goods and services) showed a positive growth of 13.84% over FY 2021-22 to achieve \$770.18 bn worth of export.
- Internationally, it will raise India's profile, and investors will start to see India as more than just a market. So, it's also not a secret what this campaign's effects have been. If this is implemented to the letter, India will become one of the world's leading countries. This aids businesses in setting up manufacturing operations in India. In turn, this promotes job growth in India. Industries frequently create a supportive atmosphere that benefits small enterprises. These industries' exports help to build up our foreign exchange reserve. The citizens of India will benefit most from such an endeavor since it will spread crucial knowledge about production and manufacturing. With this program, Mr. Modi is essentially asking wealthy and semi-wealthy nations to visit India and invest in the country's development. It's comparable to inviting other nations to establish businesses in India and manufacture on our soil. The influence of this program on our nation's economy is now significant. It goes without saying that the establishment of major corporations here will have a direct impact on India's GDP.
- The Make in India project is receiving investments from numerous foreign corporations, which has a significant impact on the Indian economy. It goes without saying that the establishment of major corporations here will have a direct impact on India's GDP. The essential point is that the manufacturing industry is being emphasized, and that a large portion of India's population is lower or middle class. Therefore, the items created by foreign corporations will only be used by the elite class.

**Statistics of Economy of India:**

Population	1,417,173,173 (2 <sup>nd</sup> ;2020est.)
GDP	\$3.732 trillion (Nominal; 2023est.) \$13.12trillion (PPP; 2023est.)
GDP rank	5 <sup>th</sup> (Nominal;2023), 3 <sup>rd</sup> (PPP;2023)
GDP growth	7.2% (FY2022-23) 6.8% (FY2023-24)

**Sources of Economic survey:**

**Advantages (Opportunities) of Make in India:**

- Develop job opportunity
- Ameliorate the vicinity
- Expand GDP
- Fortify the Rupee
- Increase in brand value
- Up-gradation of Technology

- Ease of Business
- Availability of Young minds
- Developmental of rural areas
- Flow of capital

**Challenges of Make in India:**

- Negligence of Agriculture
- Depletion of natural resources
- Loss for small entrepreneurs
- Disruption of land
- Manufacturing based economy
- Interest in International brands
- Pollution
- Bad relations with china
- Require huge Investments
- Lacking in administration effect etc.

**Findings of the study:**

1. The automotive, aviation, biotechnology, defense, media, thermal power, oil and gas, and manufacturing sectors will all undergo significant transformation as a result of Make in India.
2. There are several employment opportunities, and they are unrestricted.
3. The Indian economy can continue to grow if there are ongoing foreign investments.
4. The various economic sectors will further define the difficulties and dangers facing the human resource sector.
5. This project raises a lot of awareness about the developing technology.

**Conclusions:**

When discussing all of the effects that manufacturing in India has on the economy, the GDP of the nation is ultimately all that matters to the populace. After all, that is the one factor that accurately describes the nation's situation. The nation will be more developed the higher its GDP and in this instance, Mr. Narendra Modi's campaign is focusing more on manufacturing, thus it stands to reason that it will have a stronger effect on the GDP. In India, one of the high-growth industries is manufactured goods. The Make in India campaign assists in establishing India as a manufacturing hub and gaining prominence for the Indian economy on a worldwide scale. In the future years, India's standing among the top 10 manufacturing-producing nations will rise three spots to sixth. The idea of manufacturing in India will increase the nation's market for electrical goods. More capacity will be created in the nation as a result of the significant investment in manufacturing. More capacity will be created in the nation as a result of the significant investment in manufacturing. The tax breaks provided to new businesses and MSME's will increase quality and long-term employment in the design-led manufacturing sector.

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