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ROLE OF MAKE IN INDIA IN THE ECONOMIC GROWTH OF INDIA

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ABSTRACT

The primary objective of make in India to setting up manufacturing units and increasing exports while reducing imports in India with the help of global investors. Competent employees, ease of doing business, robust infrastructure and low production costs are some of the main success criteria of the Make in India campaign. The most significant challenges in the marketing campaign are described, including the political deadlock, the role of the Indian states in implementing the idea, taxation and provision of primary and higher infrastructure, supply of forces, professional manpower, reduced and simple paper work to obtain the relevant authorization and so on. In addition, various major and recent breakthroughs and achievements of the Make in India project have been recorded, including vehicles, aerospace, navy, manufacturing, tourism and hospitality. Opportunities of Make in India have also been described.

Keywords: - Indian Economy, Make in India, Opportunities, Challenges, Economic Growth.

INTRODUCTION

India is a developing country. To achieve the development process in the country, it is necessary to start some programs. Make in India is the best way to achieve economic growth in the country. Employment, per capita income and GDP will increase through this scheme. Big countries like England, United States of America, Japan and China have robust manufacturing sector. China accounts for a much higher share of world exports than India. Manufacturing in India accounts for 2% of global GDP. Thailand accounts for 36% of GDP in manufacturing, while Indonesia and Malaysia only account for 25%. Prime Minister Narendra Modi launched the Make in India initiative in September 2014 to increase India's share of GDP. His broad and thorough campaign was well received at home and abroad. The terms Make in India and Made in India are not synonymous. The Make in India brand refers to items made in India, while the word has multiple meanings. India imports more than it exports. As a result, a large amount of money is fleeing the country. India has the potential to become a massive industrial hub in terms of resources.

Concept of Make in India

Make in India is a major national program of the Government of India, which aims to stimulate investment, innovation, skill development, protection of intellectual property and development of high-end manufacturing infrastructure in the country. The primary objective of this initiative is to attract international investment and develop India's manufacturing industry. It is run by the Directorate for Industrial Assistance and Internal Trade (DPIIT) of the Ministry of Trade and Industry. The Make in India project is critical to India's economic growth as it aims to tap into the country's existing talent pool, create new job opportunities and boost secondary and tertiary industries. The project also aims to raise India's ranking on the World Bank's Ease of Doing Business Index by removing unnecessary laws and regulations, simplifying bureaucratic procedures, and enhancing government transparency, responsiveness and accountability. "I want to invite the whole world to come and manufacture in India. Come to India and start a business. Sell anywhere in the world, but do it here. We have the ability, the talent, the discipline and the will to achieve. "We want to offer the world a chance to come and manufacture in India," remarked Prime Minister Narendra Modi on August 15, 2014, from the ramparts of the Red Fort.

Mr. Modi announced the initiative officially on September 25, 2014 at Vigyan Bhawan in New Delhi in the presence of Indian corporate titans. Make in India targets 25 industries. Examples include automotive, automotive components, aerospace, biotechnology, chemicals, construction, defense manufacturing, electrical machinery, electronic systems, food processing, IT and BPM, leather, media and entertainment, mining, oil and gas, pharmaceuticals, ports and shipping transport, railways, renewable energy, roads and highways, space, textiles and clothing, thermal energy, tourism and hospitality and wellness. The initiative's dedicated website (www.makeinindia.com) promotes not only 25 industries but also the possibilities, ideals and ease of doing business.

Need of the Study

The study is necessary because the services sector cannot bridge the trade deficit alone. Manufacturers will have to compromise. The government hopes to encourage both domestic and foreign businesses to engage in Indian manufacturing, which will strengthen the sector and create employment at both skilled and unskilled levels. Manufacturing appears to have a significant multiplier effect on economic growth in a country. Manufacturing expansion promotes growth in other sectors because it has more feedback loops. The result is more business, investment and innovation, as well as a higher overall standard of living in the economy.

Objectives of the Study

- To study the concept of make in India.
- To study opportunities and challenges for Make in India.
- To study the growth process of make in India in the country.

Opportunities of Make in India-

1. It creates employment opportunities- One of the main objectives of the Make in India initiative is to open doors by providing employment opportunities to as many Indians as possible.

It primarily benefits the youth of the nation. Investments in certain sectors such as media, medicine and tourism will encourage young entrepreneurs to come up with innovative ideas without fear of a lack of funds.

2.Environmental Improvement – A certain sector wants a promising place to set up facilities to set up their manufacturing factories in India. To meet this need, selected zones would be strengthened, bringing significant benefits to neighboring regions. An initiative like this is crucial for a developing country like India. Employment in the region will also improve the financial situation of nearby households.

3. GDP growth - Monetary growth is inevitable due to the production of products in India which will not only boost the exchange sector but also the GDP of the Indian economy as in the case of setting up of new factories and other initiatives that are being speculated in India. The flow of wages in Indian business sectors would be substantial. Many areas such as exports, architecture, textiles and telecommunications are expected to grow in the future, boosting India's economy, which is now the seventh largest in the world.

4. Support the Rupee – The emergence of manufacturing businesses would naturally transform India into a hub for the production of diverse commercial products, leading to an extraordinary accumulation of FDI, strengthening the Rupee against the dominance of the US currency.

5. Increased brand value – Urban population prefers global brands over Indian retailers.

As a result, the small manufacturing firm faces a major market disaster. Such small businesses will have a better chance of success thanks to the Make in India program. With firms from all over the world investing in such small businesses, the value of Indian stocks is exploding.

6. Technological Advancement – Being a poor country, India clearly lacks various current systems, which is a major hindrance to the prosperity of the nation. As a result, he murdered the nations at the point of declaring war so that India could use the most advanced technology provided by those nations during the crusade in India. Not only India would benefit from the technological know-how and applications, but various nations would also benefit from a trained and educated workforce.

7. Gaining access to young brains – Most of India's youth wish to leave the nation in search of a better future. Due to lack of young workforce, India has always been hungry for new discoveries and ideas. Young people will not only find jobs under the Make in India initiative, but their young and fresh ideas will take the industrial sector to new heights.

8. Capital Flow – Since the beginning of capitalization, Indian money has been spent in other countries; however, with the launch of the brand in India, capital will not only stay with us, but foreign cash will also be provided to the country. To summarize, India will not spend on other countries, but other countries will invest and wages in India.

Challenges of Make in India

1. Ignoring Agriculture – Indian agriculture industry will suffer the most from the Make in India initiative. It is common knowledge that 61% of India's land is cultivable. As industry is developed in India, agriculture would be overlooked to some extent.

2. Depletion of natural resources – Since Make in India is largely focused on manufacturing firms; it requires creation of various manufacturing industries. Such efforts deplete natural resources such as water and land on a large scale. With such important resources rapidly disappearing, India may have few options to replenish them, risking the long-term viability of such a huge population. Small business entrepreneurs are out of luck.

3. Manufacturing based economy – Indian economy is one of the largest in the world. Agriculture, industry and services are its three divisions. Currently, the Indian economy is dominated by the service sector, which accounts for up to 57% of GDP. However, with the introduction of the Make in India initiative, the economy is expected to be fully dependent on manufacturing and exports, while the import industry will remain stagnant. This would ultimately be a major hindrance to other economic sectors and would certainly hamper the development of manufacturing in India.

4. Interest in International Brands – As said earlier, brand value in Indian stock market will surely increase. But the Indian high society that is able to handle such things is dependent on international products. This will soon become a major obstacle for local businesses, as a high degree of promotion is required to develop trust in local brands.

5. Pollution – Pollution is one of the most serious problems facing India today. According to statistics, India has a pollution score of 76.50. This level of pollution is expected to increase in the coming years as a result of the Make in India programme. As a result, while Make in India may boost the economy, it will harm the environment.

6. Bad relations with China. - With the launch of the Make in India campaign, the relationship between Indochina and China has already become a point of contention for the country, with India emerging as one of China's most promising opponents.

7. Source of energy - Several communities in various Indian states continue to have limited or no access to electricity. Therefore, one of the most important concerns is to solve the basic need of this industry, namely energy supply. Electricity shortages and blackouts are common across the country, especially in summer, making Make in India difficult. India is running out of electricity with a 5.1% blackout.

Different Sectors of Make in India

Aviation Sector

- FDI grew 6 times from \$93 million (2011-14) to \$ 519 million (2014-17)
- Passengers carried by domestic airlines increased by 29% from 148 million (2012-14) to 191 million (2014-16).
- Government-approved 6 Greenfield airports.
- Around 160 airports are being revived and operationalised.
- 16 Common User Domestic Cargo Terminals (CUDCT) have been operationalized.
- The government launched the GPS-Aided Geo Augmented Navigation system (GAGAN)

Metals and cement

Investment in mining industry increased 4.43 times from USD 293 million (2011-14) to USD 1297 million (2014-18)

- Kalyani Blast Furnace, the largest in India, was commissioned by Govt at SAIL, Burnpur. The government has also taken steps to revamp the Rourkela steel plant, increasing its capacity from 2 million to 4.5 million tonnes per annum.

Biotechnology

- Launch of “Rotavac”, India's first indigenous rotavirus vaccine.
- Under Make in India, five IITs have set up a virtual center to explore advanced biofuel technology.
- Government of Andhra Pradesh intends to set up Asia's largest MedTech Zone (AMTZ).

This MedTech zone will house approximately 200 independent manufacturing businesses.

Tourism

The Ministry of Tourism launched the Swadesh Darshan initiative in 2014-2015 to promote coordinated development of themed tourism circuits across the country. The intention of the government project is to make tourism an important source of economic growth and job creation. Another project launched by the Ministry of Tourism is PRASAD. This strategy is intended to promote religious tourism.

MSME

- Government of India has launched a new program called Prime Minister's Employment Generation Plan (PMEGP).
- Government sanctioned Rs 139.58 crore for clusters in 72 clusters for hiring artisans.
- A new portal called "Samadhaan" has been launched to provide information.

Role of Indian States

The participation of Indian states in the implementation and success of the Make in India program is essential. India has a diversified geographic and demographic distribution and a federal political framework comparable to the United States. The positive involvement and cooperation of state decision-makers, political leaders and authorities is a crucial requirement for the significant success of the new initiative. Yet it seems to be just a pipe dream as many nations currently running the NDA do not want to accept it. In contrast, numerous NDA-led states have adopted this strategy and some have even developed their own state-led investment projects, such as the BJP-led Madhya Pradesh government's 'Made in Madhya Pradesh'.

Conclusion

In summary, our country has the ability to expand GDP by 25% in the coming years. The Government of India has taken a number of steps to further empower investors and improve the business climate. One such long-term effort is the 'Make in India' initiative, which aims to transform India into a manufacturing powerhouse. At a panel discussion at the 11th India Innovation Summit 2015, experts presented their goals. The Make in India project also aims to create products with zero defects and no impact on the environment. To sum it up, the Indian government's Make in India effort is a very promising and imaginative idea. More employment opportunities, reduction in unemployment, higher purchasing power to increase living standards, superior infrastructure, smart cities etc. are all direct and indirect benefits of the Make in India philosophy. It is the government's duty to help rather than restrict. This program also recognizes selected local businesses that have demonstrated creative and new technical leadership to promote business and economic growth and help them

become global champions. As the campaign is still in its early stages, it is premature to predict its success. Make in India is an excellent strategy to boost India's economic growth.

The Make in India project aims to improve talent development and industrial infrastructure as well as position India as a global manufacturing powerhouse. The government's endeavor is to attract investment from all over the world while creating job opportunities for the country's youth. Around twenty-five industries of the Make in India project have to be pushed to meet the interests and expectations of foreign investors. Thus, the country economy will achieve a new height after the success of this campaign. To make India free of unemployment by bringing development and growth this policy is the urgent need. We can downsize poverty in India by solving the unemployment issue for youths. This, in turn, may solve various social issues in the country.

Suggestions

Some important suggestions arise from the study are as below:

- The Internet is a big place to generate startup ideas in India; you need to find a lot of information about what you can do.
- A completely new idea will always lead to success. People don't achieve great success based on universal beliefs.
- Most successful businesses fail several times before they succeed. As a result, the government must watch out for failure and ensure that entrepreneurs are encouraged to try again rather than penalized for failure.

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