

IMPACT OF MAKE IN INDIA: A REPORT CARD

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ABSTRACT

On 25th September 2014 Prime Minister Sj. Narendra Damodar Das Modi has taken steps to make the Indian manufacturing sector to a greater high. Make in India is that initiative taken which make the Indigenous Idea to a Global identity. The fact behind the scheme is to making the dream of global manufacturing hub to the economic movement. This year on the same date the scheme has completed its decade journey. On this journey it is an opportunity to bring the fact of 10 years result of the scheme relating to Economic Size, Number of Unicorns, ease of doing business, Global inequality index, worlds bank's logistic performance index, and global innovation index during these years. Finance Minister Nirmala Sitharaman opined that with 6.7% growth rate India is headed towards 3rd largest economy of the Globe by 2030. The contribution of this scheme will help to achieve the target of India smoothly and timely. This article is an attempt to understand the concept of Make in India and its impact to achieve the goal of scheme. This paper is a conceptual paper based on the facts of various research papers, factsheets, bulletins, articles and reports published by Government and RBI time to time.

Key Words: Economy, Make in India, FDI, Production and Innovation

1. INTRODUCTION

Make in India is designed to transform the country into a global business hub as it contains attractive proposals for top local and foreign companies. The central government is running the campaign to encourage the domestic as well as multinational companies in order to manufacture goods and services in India. This is not a new Concept in India. In 1888, the use of science and technology was used by Laxmanrao Kriloskar in manufacturing India's first Plough and folder cutter. Similarly with the golden hand of Jamshedji tata started the Indian steel mill and the examples are not limit. But these are examples and numbers are limited but Prime Minister Sj. Narendra Damodar Das Modi had taken a bold decision on 25th September 2014 to spread the concept of manufacturing India and Atmanirbhara Bharat through out every corner of Indian territory Make India Concept is new in its style. With the involvement of local concept in manufacturing sector India's economy will reach a great high in near future, with this concept Make in India concept germinated. Make in India has established a platform for the Indian Local manufacturers to play with global economy. Prime Minister Sj. Narendra Modi led Government of India has initiated Make in India scheme to create and encourage assemble and manufacturing of products in India. To enhance the manufacturing sector and boost the employability the scheme was launched.

The Sectoral Focus:

Manufacturing Sector	Service Sector
1. Aerospace and Defence	1. IT & ITeS
2. Automotive and Auto Components	2. Tourism and Hospitality Services
3. Bio-Technology	3. Medical Value Travel
4. Railways	4. Transport and Logistics Services
5. Construction	5. Accounting and Finance Services
6. New and Renewable Energy	6. Audio Visual Services
7. Shipping	7. Legal Services
8. Gems and Jewellery	8. Communication Services
9. Food Processing	9. Construction & Related Engineering Services
10. Leather & Footwear	10. Environmental Services
11. Electronics System Design & Manufacturing	11. Financial Services
12. Textile and Apparels	12. Education Services
13. Chemicals and Petro chemicals	
14. Capital Goods	

Four Pillars of Make in India:

Make in India is focusing on growth of manufacturing sector in India. It acts as an amplifier to attract foreign direct investment for local idea. Initially this scheme was giving priority for 25 sectors. In four different concepts emerged as the pillar of Make in India. These are as follows:

✓ New Process

Make in India is focusing on new methods and new ways to promote startups in India. Various schemes and policies implemented by the central government to promote and enhance the environment and making it more adoptive for them to established business units with similarity index.

✓ New Infrastructure

In Make in India government is giving importance on setting up off industrial hubs and zones with state-of-the-art facility, proper information and tele communication system to compete with global standards. Incubation centres and skill centres are supporting in streamlining registration systems and improved intellectual property rights (IPR) infrastructure. Efforts were made to identify industry skill requirements and develop the workforce accordingly.

✓ New Sectors

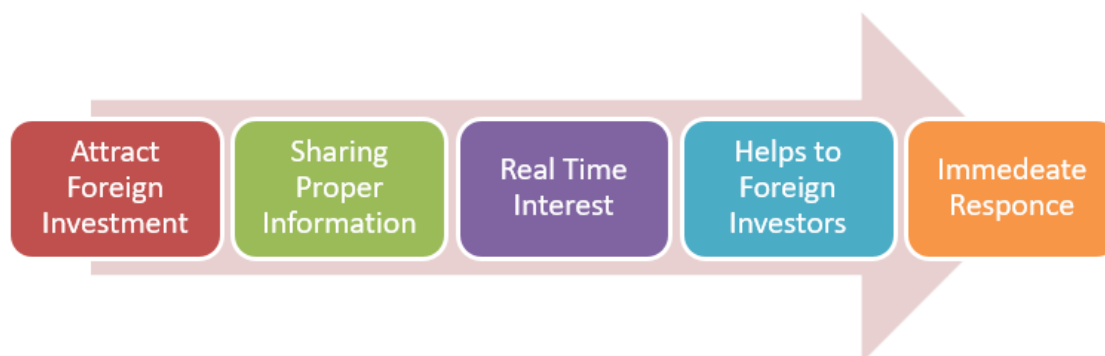
Foreign Investments was significantly opened up in various sectors including Defence Production, Insurance, Medical Devices, Construction, and Railway infrastructure. This expansion also included easing FDI regulations in Insurance and Medical Devices, encouraging international investment and growth.

✓ New Mindset

The government embraced a role as a facilitator rather than a regulator, partnering with industry to drive the country's economic development. This shift aimed to foster a collaborative environment that supported industrial growth and innovation.

Make in India: Focal Points

This central government scheme is focusing on the inflow of foreign currency to Indian economy through investment in manufacturing and services sectors. It attracts foreign investors (FI) by providing proper facilities and with proactive approach to Indian economy. Setting up help desks for FI that provides quick response for their query. It enables to catch more and more investor in scheme like Bande Bharat, INS Vikrant etc.



2. REVIEW OF LITERATURE

Pradhan P. K. (2018) stated that make in India is providing diversified scopes in the field of manufacturing sector for the young and dynamic entrepreneurs. It is the opportunity to display and trade the local idea in global market. India is receiving high economic value and social development from Make in India. This scheme facilitates smooth policy on the global trade and practices for the new entrants.

Kumar V. & Seema (2020) stated that Make in India campaign help India to place on world map as a manufacturing hub. This scheme helps India to be Globally recognized. Make in India focuses on producing defect less product defect and zero effect products that will help to save the environment and enhances the product quality. This assist in integrating, monitoring and developing a conducive environment for the manufacturing units and promote advance practices.

Chander A (2023) stated that Make in India recognizes local businesses with innovative and techno friendly leadership style to improve trade and economic growth. It transforms local to global champions. This campaign is a better strategy to boost the country's economic progress. This aims to improve talent development, improve industrial infrastructure and brand India a s a global hub for manufacturers. This initiative aims to attract investment of the globe while creating job opportunities for local youth.

Pandey S. & Agrahari V. (2023) stated that Make in India helps India to be a manufacturing hub and gaining prominence for India throughout the Globe. 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.

Sinkuq P. P. & et.al (2023) stated that the Make in India scheme has the potential to create employment opportunities and boost the Indian economy if implemented properly. The Indian government should consider addressing the challenges identified by the participants and focus on developing indigenous technology and manufacturing capabilities to make the campaign more effective. Make in India is providing employment opportunity, innovation and skill development in local India.

3. OBJECTIVE OF THE STUDY

- ✓ To Understand Make in India
- ✓ To study the economic impact of Make in India
- ✓ To study the comparative data (2014 & 2024) on Make in India

4. LIMITATION OF THE STUDY

- ✓ Study is based on Secondary Sources of data and it may have its own limitations.
- ✓ Study is based on historical data and in changing economic condition it may vary.

Sampling plan and Research Methodology

In support to the objective of the research, the study is based on secondary data. The sources of the secondary data are various published research journal in reputed institutes & Universities, fact sheets published by various financial institutions, annual reports and web reports.

5. ANALYSIS OF DATA

1. On the basis of Economic Size Rank of GDP)

2014		2024	
Country	Ranks	Country	Ranks
U.S.	1st	U.S.	1st
China	2 nd	China	2 nd
Japan	3 rd	Germany	3 rd
Germany	4 th	Japan	4 th
U. K.	5 th	India	5th
France	6 th	U. K.	6 th
Brazil	7 th	France	7 th
California	8 th	Italy	8 th
Italy	9 th	Brazil	9 th
India	10th	Canada	10 th

Sources: Meri Sarkar, Bharat Sarakar Report 2024

Interpretation: From the above table, it is stated that on the basis of Economic Size (GDP) in 2014 the rank of Indian economy was 10th and in the Year 2024 it is 5th rank. India has increased 5th step ahead towards the global leader.

2. On the basis of Number of Unicorns (Rank)

2014		2024	
Country	Unit	Country	Unit
U. S. A.	79	U. S. A.	702
China	NA	China	369
India	4	India	117

Sources: Meri Sarkar, Bharat Sarakar Report 2024

Interpretation: From the above table it is stated that on the Number of Start-up Unicorns, U. S. A. has maximum 79 & 702 number of Unicorns in the year 2014 and 2024 respectively. While taking the case of India, in the year 2014 only 4

number of start-up were setup and now the number is 117. The data for China is not valid fully available for the year 2014, which is not essential to this study also.

3. On the basis of ease of doing business (Rank)

2014		2024	
Country	Ranks	Country	Ranks
Singapore	1 st	New Zealand	1 st
Hong Kong	2 nd	Singapore	2 nd
New Zealand	3 rd	Hong Kong	3 rd
U. S. A.	4 th	Denmark	4 th
Denmark	5 th	Korea	5 th
India	134 th	India	63 rd

Sources: Doing business Report 2014 & 2024

Interpretation: From the above table it is stated that on the basis of ease of doing business in 2014 Singapore got rank 1 whereas in the year 2024, New Zealand achieved rank 1. The rank of India was 134th in the year 2014 and improved to 63rd rank in the year 2024.

4. On the basis of worlds bank's logistic performance index (LPI)

2014			2024		
Country	Scores	Ranks	Country		Ranks
Germany	4.12	1 st	Singapore	4.3	1 st
Netherland	4.05	2 nd	Finland	4.2	2 nd
Belgium	4.04	3 rd	Denmark	4.1	3 rd
U. K.	4.01	4 th	Germany	4.1	4 th
Singapore	4.00	5 th	Netherland	4.1	5 th
Sweden	3.96	6 th	Switzerland	4.1	6 th
India	3.15	54 th	India	3.4	38 th

Sources: World bank's LPI report 2024 & 2014

Interpretation: From the above table it is stated that on the basis of world bank's logistic performance index, Germany got 1st rank with 4.12 LPI scores in 2014 and 2024 Singapore ranked 1st with 4.3 LPI scores. The rank of India was 54th with 3.15 LPI score point and in case of 2024 the LPI score is 3.4 and the rank is improved to 38th.

5. On the basis of Global Innovation Index (GII)

2014		2024	
Country	Ranks	Country	Ranks
Switzerland	1 st	Switzerland	1 st
U.K.	2 nd	Sweden	2 nd
Sweden	3 rd	U.S.A.	3 rd
Finland	4 th	Singapore	4 th
Netherland	5 th	U.K.	5 th
India	76 th	India	39 th

Sources: Global Innovation Index Database WIPO 2014 & WIPO 2014

Interpretation: From the above table it is stated that on the basis of Global Innovation Index (GII), Switzerland carries 1st rank both in 2014 and 2024. The rank of India was 76th in the year 2014 and in case of 2024 the global rank for India in GII is 39th rank. The GII index of U.K. was fall to 5th rank in 2014 while it was 2nd in 2014.

6. FINDS OF THE STUDY

Make in India is giving importance for job creation, employability, innovation in the field of Manufacturing and service sector. From the study in to derives that

- ✓ Though the global rank in economic size of India has increased but to be the 3rd largest economy, India has to go a long way. The competing forces in the globe are running sharper.

- ✓ In case of creating Unicorns, Make in India has created around more than 100 number of unicorns as compared to pre implementation of the scheme. Unicorns are the startup having 1 billion dollar capital.
- ✓ In ease of doing business, the rank of India was 134th before the scheme implemented but it is now 63rd rank in globe. The rank was improved sharply in this decade.
- ✓ In world banks logistic performance index (LPI), the rank in pre make in India was 54 and now it is 38. The LPI is an interactive benchmarking tool that helps countries identify their challenges and opportunities in trade logistics. It measures logistics performance in several dimensions, including the efficiency of border control agencies, the quality of trade infrastructure, and the ease of arranging shipments
- ✓ In Global Innovation Index the rank is 39th now and earlier in pre make in India era it was 76th rank in Globe.

7. CONCLUSIONS

On 25th September 2024, Make in India has completed 10th Anniversary with glorious economic impact to the Indian developing economy. With a view to strengthen the manufacturing sector in India and to attract the eye of the Globe investor toward Indian economy the concept was implemented by the Prime Minister Sj. Narendra Damodar Das Modi of India 10 year before the same date. With strong vision and strategic reform, the manufacturing sector in India is growing to a new high day by day. The flow of foreign direct investment to Indian economy is rapidly growing. This scheme creates a place in the heart of the globe that all the developed nations eye is on Make in India. It's time to participate in the successive story of the scheme and face the target to be the global super power in manufacturing sector with the help of government. It is concluded that after the decade of inception the objectives of the scheme is truly fulfilled and the government is doing right thing to reach 3rd largest economy. Government will focus on various segments so that India will reach to its new high on economic size, steel production, mobile production, climate change performance index and global innovation index. 50% of Indian population belongs to the age group of 20-40 years age group and it is the real time to boost their inner capability and strength to be the global leader. To become the global power, we clearly state that with Make in India scheme and implementation of Youth power India will reach its target very soon. Young India is focusing on Global India with Make in India.

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