



## MAKE IN INDIA- TRANSFORMING INDIA INTO MANUFACTURING HUB

**DR. R. R. PANSARE**

Associate Professor & Research Guide

Poona College of Arts, Science & Commerce  
(MS) INDIA

**AKBAR SAYYED**

Assistant Professor

Poona College of Arts, Science & Commerce  
(MS) INDIA

### ABSTRACT

*Devised to transform India into a global design and manufacturing hub, Make in India was a timely response to a critical situation: by 2013, the much-hyped emerging markets bubble had burst, and India's growth rate had fallen to its lowest level in a decade. The Make in India initiative was launched by Prime Minister in September 2014 as part of a wider set of nation-building initiatives. 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'. Global investors debated whether the world's largest democracy was a risk or an opportunity. India's 1.2 billion citizens questioned whether India was too big to succeed or too big to fail. India was on the brink of severe economic failure. The need to raise the global competitiveness of the Indian manufacturing sector is imperative for the country's long term-growth. The National Manufacturing Policy is by far the most comprehensive and significant policy initiative taken by the Government. The policy is the first of its kind for the manufacturing sector as it addresses areas of regulation, infrastructure, skill development, technology, availability of finance, exit mechanism and other pertinent factors related to the growth of the sector.*

### INTRODUCTION

The Indian manufacturing sector is the classic example of an industry that has great potential. The objective of the scheme is to ensure the manufacturing sector which contributes around 16% of country's GDP is increased to 25% in next 5 years. Make in India scheme Eliminates Unnecessary laws and regulations. Three sectors which contribute to GDP of any country are agriculture, manufacturing and services. According to the current contributions of these sectors to Indian economy manufacturing occupies 16% which is lowest. There are lots of opportunities to be tapped as far as Indian manufacturing sector is concerned. Many business man and entrepreneurs view make in India initiative for betterment of our economy. VNS Global Services group CEO Keshav Murugesh said " digitization campaign such as digital

India , Make in India, creating smart cities and other digitization projects initiated by the Indian Government in the past one year has been made for the betterment of India.

## **MAKE IN INDIA –VISION**

- Creation of appropriate skill sets among rural migrants and the urban poor for inclusive growth.
- An increase in domestic value addition and technological depth in manufacturing.
- Enhancing the global competitiveness of the Indian manufacturing sector.
- Ensuring sustainability of growth, particularly with regard to environment.
- An increase in manufacturing sector growth to 12-14% per annum over the medium term.
- An increase in the share of manufacturing in the country's Gross Domestic Product from 16% to 25% by 2022.
- To create 100 million additional jobs by 2022 in manufacturing sector.

## **ADVANTAGES OF MAKE IN INDIA**

- Strong consumerism in the domestic market.
- Strong technical and engineering capabilities backed by top-notch scientific and technical institutes.
- Well-regulated and stable financial markets open to foreign investors.
- India has already marked its presence as one of the fastest growing economies of the world.
- The country is expected to rank amongst the world's top three growth economies and amongst the top five manufacturing destinations by 2020.
- Favourable demographic dividends for the next 2-3 decades. Sustained availability of quality workforce.
- The cost of manpower is relatively low as compared to other countries.

## **SALIENT FEATURES OF NMF POLICY**

### **1. Focus Sectors:**

- Industries where India enjoys a competitive advantage such as automobiles, pharmaceuticals & medical equipment.
- Small & medium enterprises.
- Public sector enterprises.
- Employment-intensive industries like textiles and garments, leather and footwear, gems and jewellery and food processing industries.

- Capital goods industries like machine tools, heavy electrical equipment, heavy transport, earthmoving & mining equipment.
- Industries with strategic significance like aerospace, shipping, IT hardware & electronics, telecommunication equipment, defense equipment and solar energy.

## 2. National Investment & Manufacturing Zones (NIMZ):

- The state government will also play a role in its acquisition if necessary.
- In government, purchase preferences will be given to units in the national investment and manufacturing zones.
- For financial year 2016-17, USD 0.515 million has been earmarked under the scheme for implementation of National Manufacturing Policy for 'Master planning of NIMZs and Technology acquisition & development fund.
- National Investment and Manufacturing Zones Identified
- The National Investment and Manufacturing Zones are being conceived as giant industrial greenfield townships to promote world-class manufacturing activities.
- The minimum size is 5000 hectares (50 square kilometres) wherein the processing area has to be at least 30%.
- The central government will be responsible for bearing the cost of master planning, improving/providing external physical infrastructure linkages including rail, road, ports, airports and telecom, providing institutional infrastructure for productivity, skill development and the promotion of domestic and global investments.
- The identification of land will be undertaken by state governments. State governments will be responsible for water requirement, power connectivity, physical infrastructure, utility linkages, environmental impact studies and bearing the cost of resettlement and rehabilitation packages for the owners of acquired land.

### Under DMIC:

- Ahmedabad-Dholera Investment region, Gujarat
- Shendra-Bidkin Industrial Park City near Aurangabad, Maharashtra
- Manesar-Bawal investment Region, Haryana
- Khushkhera-Bhiwadi-Neemrana Investment Region, Rajasthan
- Pithampur-Dhar-Mhow Investment Region, Madhya Pradesh
- Dadri-Noida-Ghaziabad Investment Region, Uttar Pradesh
- Dighi-Port Industrial Area, Maharashtra
- Jodhpur-Pali-Marwar region, Rajasthan

### Outside DMIC:

- 14 NIMZ outside the DMIC region have also been given in-principal approval.
- Kuhi and Umred Taluka of Nagpur district, Maharashtra
- Tumkur, Karnataka
- Chittoor, Andhra Pradesh
- Medak, Telangana
- Prakasam, Andhra Pradesh
- Gulbarga, Karnataka
- Kolar, Karnataka
- Bidar, Karnataka
- Kalinganagar, Jajpur District, Odisha
- Hyderabad Pharma NIM, Rangareddy and Mehbubnagar district of Telegana
- Ramanathapuram, Tamil Nadu
- Ponneri, Tamil Nadu
- Auraiya, Uttar Pradesh
- Jhansi, Uttar Pradesh

### 3. **Simplification of Regulatory Environments**

- Timelines will be defined for all clearances.
- Central & State governments to provide exemptions from rules and regulations related to labour, environment etc. subject to the fulfilment of certain conditions.
- Mechanisms for the cooperation of public or private institutions with government inspection services under the overall control of statutory authorities to be developed.
- Process of clearances by centre and state authorities to be progressively web-enabled.

### 4. **Acquisition of Technology & Development**

- The policy intends to leverage the existing incentives/schemes of government and also introduce new mechanisms to introduce green technologies.
- A technology acquisition and development fund has been proposed for the acquisition of appropriate technologies, the creation of a patent pool and the development of domestic manufacturing of equipment used for controlling pollution and reducing energy consumption.
- The fund will also function as an autonomous patent pool and licensing agency. It will purchase intellectual property rights from patent holders. Any company that wants to use intellectual property to produce or develop products can seek a license from the pool against payment of royalties.

## CONCLUSION



Indian has the capacity to push the GDP to 25% in next few years. The government of India has taken number of steps to further encourage investment and further improve business climate. “Make in India” mission is one such long term initiative which will realize the dream of transforming India into manufacturing Hub. Start-ups in the core manufacturing sectors are poised to play a crucial role in the success of ‘Make in India’ ambitions, said experts at a panel discussion at the 11th India Innovation Summit 2015.

## REFERENCE

1. [http://articles.economictimes.indiatimes.com/2015-07-23/news/64772859\\_1\\_m-sipsmotherson-sumi-systems-investment-proposals](http://articles.economictimes.indiatimes.com/2015-07-23/news/64772859_1_m-sipsmotherson-sumi-systems-investment-proposals)
2. <http://www.nitinbhatia.in/views/make-in-india/>
3. <http://www.livemint.com/>