

Make In India

Introduction:

Make in India is an initiative of the Government of India to encourage multinational, as well as domestic, companies to manufacture their products in India. It was launched by Prime Minister Narendra Modi on 25 September 2014. India would emerge, after initiation of the programme in 2015, as the top destination globally for foreign direct investment, surpassing the People's Republic of China as well as the United States.

Objective:

The major objective behind the initiative is to focus on job creation and skill enhancement in twenty-five sectors of the economy. These sectors include: automobiles, chemicals, IT, pharmaceuticals, textiles, ports, aviation, leather, tourism and hospitality, wellness, railways, design manufacturing, renewable energy, mining, bio-technology, and electronics. The initiative hopes to increase GDP growth and tax revenue. The initiative also aims at high quality standards and minimising the impact on the environment. The initiative hopes to attract capital and technological investment in India.

Under the initiative, brochures on the 25 sectors and a web portal were released. Before the initiative was launched, foreign equity caps in various sectors had been relaxed. The application for licenses was made available online and the validity of licenses was increased to three years. Various other norms and procedures were also relaxed.

In August 2014, the Cabinet of India allowed 49% foreign direct investment (FDI) in the defence sector and 100% in railways infrastructure. The defence sector previously allowed 26% FDI and FDI was not allowed in railways. This was in hope of bringing down the military imports of India. Earlier, one Indian company would have held the 51% stake, this was changed so that multiple companies could hold the 51%. Out of 25 sectors, except Space (74%), Defence (49%) and News Media (26%), 100% FDI is allowed in rest of sectors.

"Zero Defect Zero Effect" is a slogan coined by Prime Minister of India, Narendra Modi which signifies production mechanisms wherein products have no defects and the process through which product is made has zero adverse environmental and ecological effects. The slogan also aims to prevent products developed from India from being rejected by the global market.

Conclusion:

Between September 2014 and August 2015, the government received ₹1.10 lakh crore (US\$17 billion) worth of proposals from companies interested in manufacturing in India. 24.8% of smartphones shipped in the country in the April-June quarter of 2015 were made in India, up from 19.9% the previous quarter.