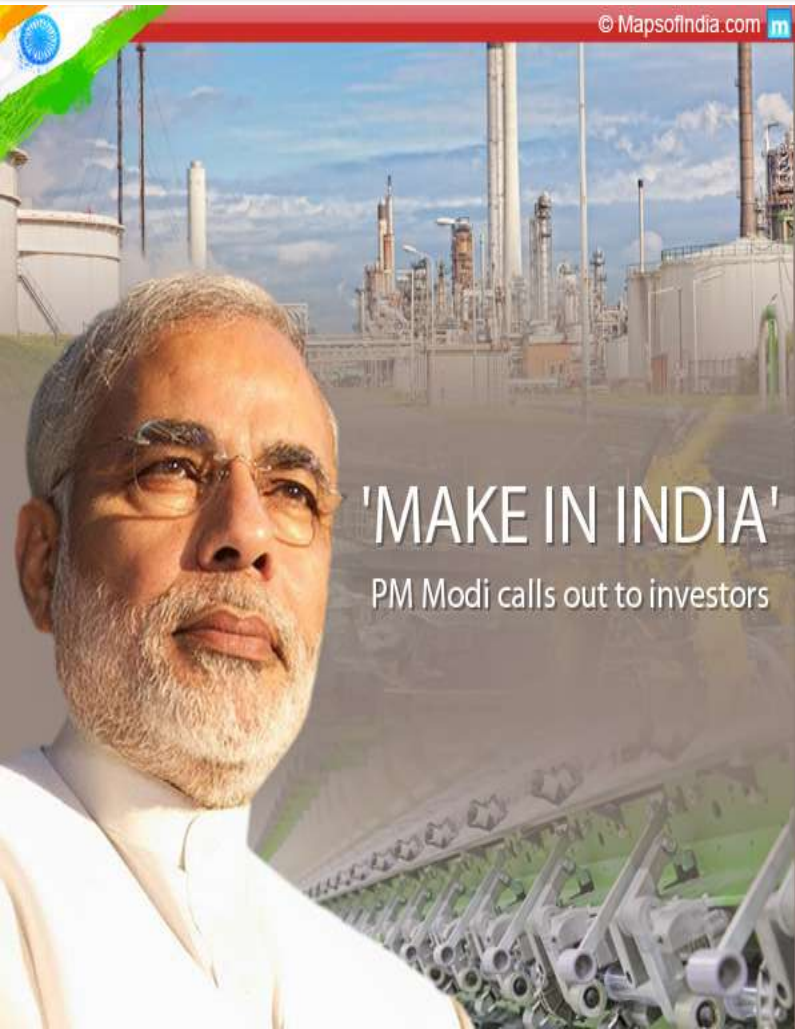


# PRESENTATION

ON -



# MAKE IN INDIA



## INTRODUCTION

- A major National Program
- Introduced on 15<sup>th</sup> August, 2014
- By PM Narendra Modi
- Launched on 25<sup>th</sup> September, 2014
- To encourage national and multi-national companies to manufacture their products in India

# *HISTORY*

Launched on **25th September ,2014** in a function at the **Vigyan Bhawan**

- On 20<sup>th</sup> December, 2014 a workshop was organised by **DIPP**
- The Campaign was designed by **Wieden+Kennedy**
- In August ,2014 49% FDI is allowed in Defense Sector and  
100% in Railway Infrastructure

# ***OBJECTIVES OF MAKE IN INDIA***

- **MAKE INDIA AS A MANUFACTURING HUB**
- **GENERATING EMPLOYMENT**
- **ENHANCE SKILL DEVELOPMENT**
- **GLOBAL RECOGNITION**
- **INVITE LATEST TECHNOLOGIES**

**MAKE  
~~MADE~~  
IN  
~~CHINA~~  
INDIA**

# ***MAKE IN INDIA: LOGO***

- The logo is a lion made of cogs, symbolizing strength, manufacturing and national pride



**DIFFERENCE BETWEEN**

**MAKE IN INDIA**

**AND**

**MADE IN INDIA**

***STEPS TAKEN BY  
GOVERNMENT  
FOR  
STRENGTHENING  
MANUFACTURING  
SECTOR***

# 1. Identification of Prominent Sectors



**AUTOMOBILES**



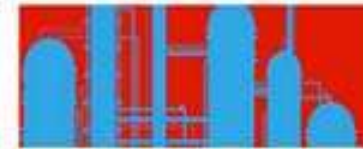
**AUTOMOBILE COMPONENTS**



**AVIATION**



**BIO TECHNOLOGY**



**CHEMICALS**



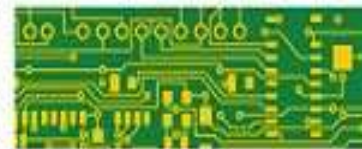
**CONSTRUCTION**



**DEFENCE MANUFACTURING**



**ELECTRICAL MACHINERY**



**ELECTRONIC SYSTEMS**



**FOOD PROCESSING**



**IT AND BPM**



**LEATHER**



**MEDIA AND ENTERTAINMENT**



**MINING**



**OIL AND GAS**



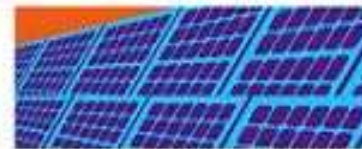
**PHARMACEUTICALS**



**PORTS**



**RAILWAYS**



**RENEWABLE ENERGY**



**ROADS AND HIGHWAYS**



**SPACE**



**TEXTILES AND GARMENTS**



**THERMAL POWER**



**TOURISM AND HOSPITALITY**



**WELLNESS**



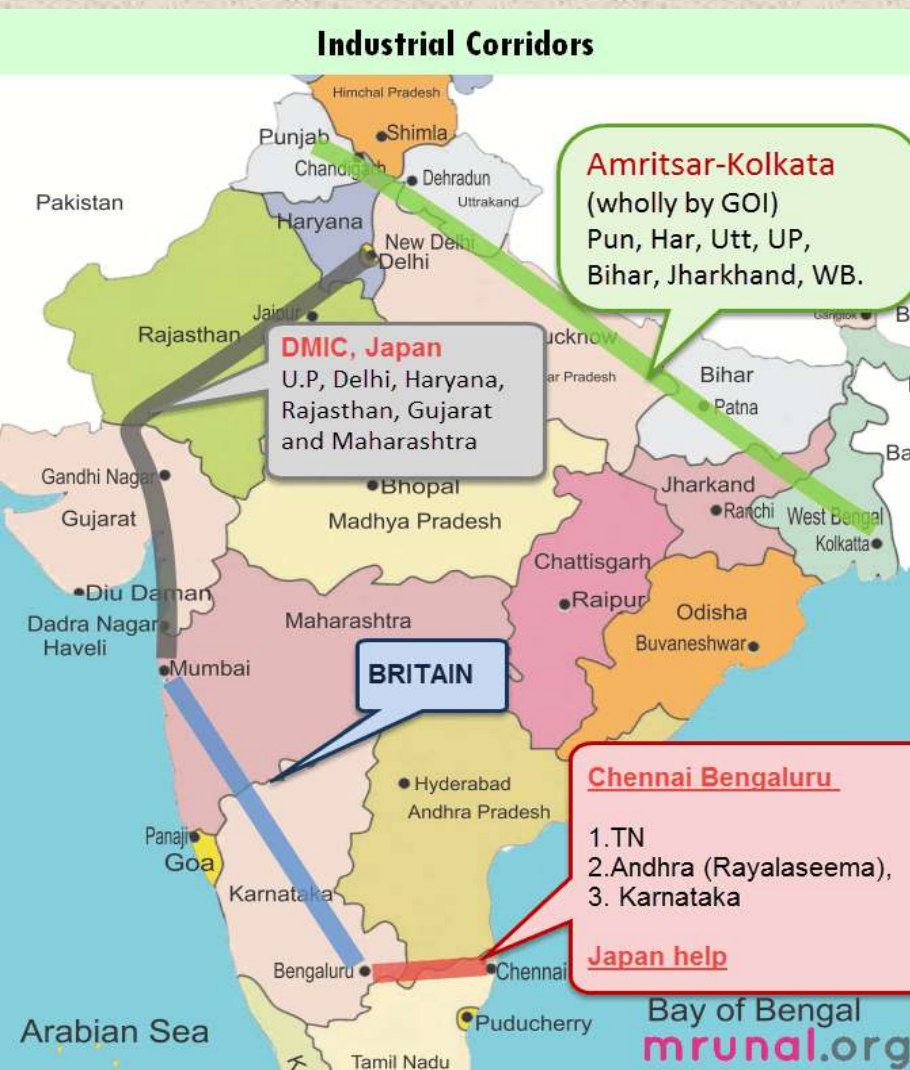
**2. Promoting ease of doing business**



**3. Developing smart cities**



## 4. Developing Industrial Corridors



## 5. Skill development



Two National Investment Manufacturing Zones (NIMZ) to come up in AP with an investment of 22,592 crores creating over 6.5 lakh jobs



## 6. Establishment of NIMZ

## 7. Strengthening intellectual property regime



## 8. Exports incentives

MERCHANDISE EXPORT INDIA SCHEME (M.E.I.S)

SERVICES EXPORT INDIA SCHEME (S.E.I.S.)

## 9. Area based incentives

### AREA-BASED INCENTIVES

- Incentives for units in SEZ/NIMZ as specified in respective acts.
- Setting up of projects in special areas
- Industrial corridors

## 10. Strengthening financial markets



## 11. Labour reforms



## **12. Strengthening R and D**

## **13. Facilities of transport and communication**

## **14. Incentives under income tax act**



# *Prominent Sectors Identified for 'Make in India'*



# Automobile:

Automobile industry is contributing 45% in output of manufacturing sector . India is currently largest tractor manufacture . Due to easy availability of skilled manpower at low cost and incentives offered by Govt. ,the global automobile companies are setting up their production plants in India. Ex- Toyota , suzuki, Chevrolet etc.

# Make In India

## Foreign Ties and Automobile Growth





# *Engineering Industry:*

- India engineering industry has witnessed remarkable growth in the recent past. India has a large pool of *talented* engineers. It provides competitive advantage to India in terms of low labour cost , innovation etc . India has allowed 100% FDI in this sector for promoting its faster growth. Indian engineering goods have good demand not only in developing nations but also in developed nations like US , UK , France etc.

# *Textiles:*

India is the largest cotton and jute producer in the world . India is the second largest producer of fiber and silk. With over 45million people employed in this industry. This industry has good potential for export also. The domestic demand for textiles is also rising due to increasing income of people consciousness about standard of living and fashion craze.



# *Electronic Industry:*

It is one of the largest and fast growing industry of India . With Government policy of digitisation , this industry is expected to grow at a great pace. Government is also offering various incentives like capital , subsidy etc. With availability of skilled manpower and technicians at low cost and with good research , this industry is growing at fast speed.



# *Construction:*

India has the second largest urban population in the world .Construction sector includes infrastructure , industrial projects , township , smart cities etc. Govt. has allowed 100% FDI through the automatic route in construction sector . Infrastructure requirements are increasing , Govt. is spending heavily on infrastructure , public private partnership (PPP) projects are being encouraged.



# *Railways:*

Indian railway network is third largest in the world . Government is planning to invest Rs.8.5 lakh crore for further upgradation of railways in the next 5 years . Government has allowed 100% FDI in railway infrastructure projects like high speed tracks , railways electrification , freight terminals etc. So railways have good potential for strengthening the manufacturing sector.



# *Food processing:*



India is a rich agricultural resource base country . India ranks first in the world in production of bananas , mangoes , lemon etc. India Govt. is promoting food processing industry by setting up mega food parks. Central and State Govt. are providing capital subsidy and tax concessions. The increasing of proportion of working women , changing food habits etc. also create good opportunity for the growth of this industry.

# *Mining:*

India produces 88 minerals and has over 3,000 mines in the country.

India is fourth largest iron ore producer. Govt. is giving various incentives like tax concessions, transport subsidy etc. Govt. is allowed 100% FDI through automatic route in mining and exploration of metal and non- metal etc. Domestic and foreign private sector participation has been encouraged.



# **NATIONAL MANUFACTURING POLICY, 2011**



**National Manufacturing Policy, 2011**



# ***National Manufacturing Policy, 2011***

The government of india announced the national manufacturing policy on 4<sup>th</sup> november, 2011 with the objective of enhancing the share of manufacturing sector in gross domestic product to 25% within a decade and creating hundred million additional job. The policy was introduced to solve the problems of inadequate infrastructure, complex regulatory environment, technological backwardness and inadequate availability of skilled manpower. Recognising that the manufacturing sector has a multiplier effect on economic development, the government introduced this policy.

# MAKE IN INDIA (2014)



Boost GDP  
from 16% to  
25% by 2022



Raise Manufacturing  
Sector Growth to  
12-14% Annually

Create 100  
Million New  
Jobs by 2022



# MAKE IN INDIA, A CARBON COPY



## NATIONAL MANUFACTURING POLICY (2011)



Boost to  
GDP to 25%  
by 2021

Raise  
Manufacturing  
Sector Growth  
to 12-14%

Create  
100 Million  
New Jobs  
by 2022

***FEATURES OF  
NATIONAL  
MANUFACTURING  
POLICY***

# ***1. Promoting employment intensive industries-***

Employment intensive industries such as textiles and garments, gems and jewellery, leather and footwear and food processing industries will be encouraged.



## ***2. Promoting capital goods***

***industry-*** Both private and public sector unit will complement their efforts to achieve faster growth in this sector. Special focus will be given to machine tools, mining equipments, heavy transport etc.



# ***3. Promoting industries with strategic significance-*** Certain

**industries have strategic significance for achieving sustainable development and national security.**

**These include aerospace, shipping, solar energy etc.**



# ***4. Promoting industries where India enjoys competitive advantages-***

***advantages-*** In certain industries, India have strong base has developed indigenous expertise and cost effective methods. India enjoys competitive advantage mainly in automobile and medical equipments.



# *5. Promoting small and medium enterprises-* The micro, small and medium enterprises contribute 45% of the manufacturing output, 40% of manufacturing exports and it employs about 111 million people in the country.

Promoting Small and Medium Enterprises for Sustainable Development





**6. Promoting public sector enterprise-** PSEs continue to play major role in the growth of national economy. Special efforts will be made to make PSEs more competitive by ensuring them functioning autonomy.



***7. Simplification of business regulations-*** On an average, a manufacturing unit in india is supposed to comply with nearly 70 laws and regulation. These units have to file sometimes, 100 returns in the year.

Simplification of Business Regulations at the Sub-National Level

*A Reform Implementation Toolkit for Project Teams*


2006



## ***8. Technology upgradation-***

**Special effort will be made for development of indigenous technology. Whenever modern technology is not domestically available, foreign technology will be imported.**





*Problems Of  
Manufacturing  
Sector*

# Shortage of Power Resources-

Three main source of power in India are electricity, coal, & oil .

- Supply of both hydro-electricity & thermal electricity is less than demand ( $D > S$ )
- Solar energy, wind energy, bio mass energy etc. are not developed .



# Shortage of Capital

Industries meet their capital need from stock markets, financial institution & banks. But-

- Huge volatilities in stock markets, people are not interested in making investment in stock markets.
- Financial institution & banks are not give loan at low rates of interest.

# Weak Infrastructure



- In India, means of transport like roads, motor transport, waterways, airways etc. have not fully developed.
- The financial infrastructure, viz. Banks, financial institutions, insurance companies, capital markets etc. is not well developed.

# **Problem of Research & Innovation**

- **Research and innovation is costly affair.**
- **According to a report published by Department of science and technology, India spend 0.88% of its GDP on R&D. But developed countries spend 2.3% of its GDP on R&D.**



# Industrial Sickness

**Such units as fail to repay the loans & interest are called industrial sick units.**

- Industrial sickness has been rise in India.**
- Factors responsible for Industrial sickness are unsold stock, industrial disputes, poor quality of production , high cost of production etc.**

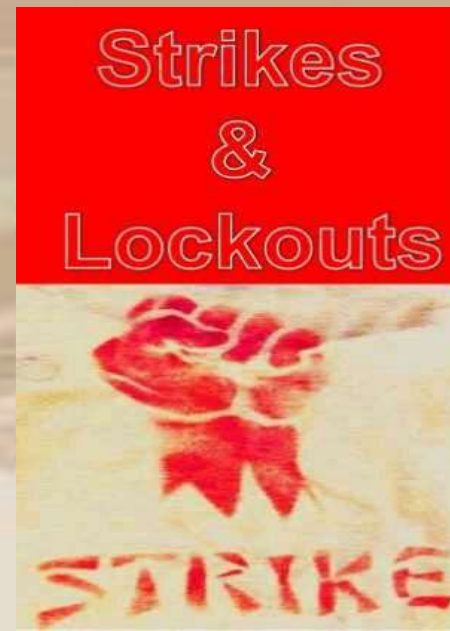
# Bureaucratic Hurdles

- India is lagging far behind in terms of 'Ease in Doing Business'. The manufacturers have to face excessive formalities.
- Global manufacturing units hesitate to enter in such countries where 'Ease in Doing Business' is less.



# Industrial Disputes

- Strikes & lockout are the regular feature of Indian Industrial units. It results in loss of man days, fall in production & profits.
- In 2011, 135 strikes & lockouts took place in large scale units affecting more than 9 lakh labourers .



# Inefficiency of Public Sector Units

- Many Public sector enterprises are inefficient in their working. Some of the enterprises are even running at a loss.
- Reasons for the inefficiency of public sector units, viz. political interference, inefficient management & inefficient staff.



# Lack of Entrepreneurship

- In India, people hesitate to invest in risky ventures.
- They prefer to work as employees rather than starting own manufacturing units, which involves more risk.



Entrepreneur.

# Poor Global Image

**The manufacturing sector of India has poor global image due to poor quality, unfair practices adopted by some manufacturers, poor technology, etc.**



# Less Mobility Among Workforce

India workforce is less mobile. This problem is more serious in case of women employees & employees belonging to rural areas . It creates imbalance in demand & supply of labourers.



# Other Challenges

- **Costly land**
- **High tax rates**
- **Poor Quality Production**
- **Loss to Domestic Units from Foreign Competition**
- **Industrial Pollution**





***SUGGESTIONS TO  
SOLVE THE  
PROBLEMS  
OF MANUFACTURING  
SECTOR***

# ***Promoting 'Ease of Doing Business':***

**There is an urgent need for procedural simplification for the convenience of business units. Documentation/paper work should be minimised. Single window online clearance should be promoted.**



# *Development of Private Sector*



PRIVATE SECTOR  
DEVELOPMENT



HKTDC Research  
香港貿易發展局經濟研究

## Encouragement of Foreign Capital and Foreign Technology

# *Encouragement to Capital Formation*



INFRASTRUCTURE  
DEVELOPMENT

# *Development of Infrastructure*

# *Imports of Modern Machines*



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*Focus on Research  
and Development*



# *Increase in Efficiency of Public Sector*



# *Regular power Supply*



# *Proper Utilisation of Natural Resources*



## *Industrial Pollution & Environmental Degradation*

- Since the industrial revolution, pollution has been a major problem affected with the same.



## *Control Over Industrial Pollution*

# *Other Suggestions:*

 *Development of  
Agro-Industries*



 *Industrial Peace*





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***GCG, LUDHIANA***