

Make In India – Problems & Prospects

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Abstract- India is a land of massive potential with its abundant natural resources and young, talented workforce, which undoubtedly are the two factors important enough to make the country a manufacturing land, but, most astonishingly, the numbers do not speak greatly about it. Since 1991, the era of post liberalisation, there has been a steady decline in GDP from 15% to 13% between 2010-2013 from manufacturing sector in comparison to service sector. If the growth of the manufacturing sector is to be propelled, then there is a greater need to maintain cost effectiveness and competition. Continuous changes take place in productivity, wages, energy-cost and currency rates with reference to the global standing on cost effectiveness. In this context, to a large extent, India has scored well on cost competitiveness and holding on to it, steadily.

The Honourable Prime Minister of India is intensively campaigning to the leading world entrepreneurs to participate in his pet project “Make in India”. His visit to several countries, of late, bears testimony to the fact that “Make in India” program is top on his agenda. The Government of India has also partnered with the recently held “Hanover Messe 2015”, the largest Industrial fair. These initiatives may be time consuming and resource intensive affairs but are holistically directed to enhance image of India in the global landscape. The crux of these efforts is to make India as one of the manufacturing countries so as to deal with the issues of providing employment and economic progress.

This paper seeks to focus primarily on startling truths and certain measures to be factored-in, to ensure “Make in India” aspiration is fully realized, at the same time, it also tries to emphasize on the mutually rewarding benefits to domestic and foreign companies in developing India as a destination for commercialization and commerce.

Keywords- Make in India; Commerce; Commercialization

1. INTRODUCTION

The architects of modern India knew pretty well that one of the best strategies to develop independent India, on the lines of the developed nations, was to focus on creating a well-diversified industrial and manufacturing base. Efforts were made, policies were framed, guidelines for implementation were laid but the strategies could not reap success. Although creating a manufacturing base remained active on the agenda of the planners, the enemies of the society – poverty and illiteracy were the stumbling blocks in the way of achieving the desired progress in this field.

2. OBJECTIVES

To identify the factors responsible for the slow growth in the manufacturing sector.

To suggest measures to overcome hurdles in the process of successful achievement of “Make in India” program

Data Sources: The study is based exclusively on secondary sources namely, websites and journals.

3. DISCUSSION

Make in India – its purpose: The well thought out purpose of this programme is to make India a manufacturing hub mainly directed towards fulfilling the promise of providing meaningful employment to the unemployed youth of the country. This purpose will be achieved only when it is ensured that the country by virtue of its bountiful of natural

resources and hard- working youth power is capable of motivating, rather convincing especially the foreign investors to establish their manufacturing units in India without a second thought. The following 25 sectors are the focus areas under this program.

Automobiles,	Renewable energy	Textiles and Garments
Automobiles components	Roads and Highways	Thermal Power
Aviation	Space	Tourism and Hospitality and Wellness
Bio-technology	Electrical machinery	Media Entertainment
Chemicals	Electronic Systems	Mining, Oil and Gas
Construction	Food processing	Pharmaceuticals
Defence	IT and BPM	Ports and Shipping
Manufacturing	Leather	Railways

The Government has allowed cent percent Foreign Direct Investment in all the major focus areas except Defence, Space and News Media in which foreign direct investment is allowed to the extent of 49%, 74% and 26% respectively. By doing so the policy makers wish to increase the contribution of manufacturing sector to the GDP from 16% to 25% and overall FDI increased by 39% simultaneously creating 100 million additional jobs by 2022. As a part of Make in India, Oracle has unfolded its plans to set up an expansion unit in Bengaluru and other 9 incubation centres throughout the country, thus contributing to generating employment to half a million students in providing training for developing computer skills, each year.

Our country's Defence requirements are mostly met by way of imports. Opening FDI into this sector would not only enable us to enter into strategic partnership with foreign counterparts, but encourages us for global business.

Pharmaceuticals sector has received tremendous response in terms of FDI as India has the lowest cost of production in comparison with United States and close to half of the Europe. It is expected to rank among the top three pharmaceutical markets for its incremental growth by 2020, hence, Global Pharmaceuticals will be interested in this sector.

Despite, umpteen number of hurdles and roadblocks, the launch of make in India programme has received global appreciation. Opening of FDI into sectors especially IT and Business Process Management, Energy, Defence and Pharmaceuticals clearly envisages India to be a manufacturing hotspot in International Industrial Map.

There are certain roadblocks which impedes the Make in India Program. These are startling truths. No time need be wasted to overcome these hurdles. Action must be swift, transparent and visible to start achieving success in this direction.

Corruption: Over the period India progressed. Progress was at slow space when compared to the pace of corruption. It started showing its ugly face gradually but steadily and then aggressively enormously affecting the development mantra. A study by Transparency International, 2005 found that 62% of Indians pay various forms of bribes and peddle influence in order to get their works done in public offices. According to Central Vigilance Commission, 2014 report, Railway tops in corruption followed by Banks.

The protagonist of development creating a well – diversified industrial and manufacturing base became helpless. They were compelled to surrender to this deep rooted evil environment which favoured the corrupt. But, the worst part is that bribes were paid to get the wrong things done but today the situation has come to such a pau that bribe is demanded for getting the right things done at the right time. Corruption escalated and in its own sense in the right direction. It made its presence felt in different shapes and forms – blatant violations of rules, quid pro quo commissions, money laundering, tax evasion, Black money,

hoarding, extortion, black-mail, suppression of facts and what not. Unscrupulous elements played their game well and shattered the dream of the common man to see India bringing about the most probable revolution in manufacturing sector- Make in India. Thus, corruption proved to be the worst enemy of progress, growth and development. Therefore, the development plan remained a myth and showed no signs of moving ahead as envisaged by the planners. So much so that when a clarion call is given to take a giant leap in the manufacturing sector, things stand where they were decades ago, hence, the doubts expressed in some quarters about the immediate success of make in India programme is not without reason.

The agencies entrusted with the enforcement of law against corruption must deal with big fish with the same speed, efficiency, diligence, spirit and allegiance to law as they deal with ordinary criminal. Prompt action against criminals howsoever, mighty and influential they may be, is necessary. It will convince the investors that India means no nuisance: no nonsense. It will save India from tumbling down the corruption index and reaching the top position in the prosperity index.

Fulfilling of promises: The key to success of the make in India lies in making India a land of fulfilling promises. India cannot remain complacent on its positive aspect of being a nation of 1.25 billion people, mostly youth, in the age group of 26 to 35 years. The only way to get this envious, rather huge work force to get involved in manufacturing sector is to educate them and train them in the fields which interest the manufacturers to set their bases in India under Make in India program.

Employer – Employee relationship: A harmonious relationship between employer and employee speaks volumes of good health of the manufacturing unit. This healthy relationship element is seldom seen in its true sense. A manufacturer or for that matter a businessman is never reluctant to adopt unacceptable means stealthily, to promote their products and make quick money even at the cost of the employees' benefits and interests. The relationship between employer and employee should never be fractious. In such an avoidable scenario, employees deliberately ignore their commitment to the organisation. The net result is loss in production. A loss in production is a loss to every one – that may be the employer, the employee or the society at large. The nation doesn't progress. It remains still. The combine slogan that should vibrate on the manufacturing site need be "just and fair means; for quality and quantity.

Slogan mongering, making tall claims, big announcements etc. to some extent to inspire, encourage and motivate the participants is welcome. But then policies, programmes, enactments made in this direction, after intensive deliberations and getting expert opinions, must be implemented promptly and regularly monitored to ensure that the results as envisaged in the policies are achieved. If, so required, amendment to the approved policies, wherever

needed must be made expeditiously without seeking recourse to lengthy procedure.

Training Centres: Universities colleges, institutes and training centres have mushroomed. They lack quality education and qualified trainers. The workforce coming out from such irresponsible institutes, with low levels of confidence, are directionless. It is impossible to groom them in a short span of time to match the performance levels expected of the manufacturers. They, therefore, lack the much needed skills to play a role in the ambitious and most inspiring scheme of Make in India. The thrust area in make in India program is to inspire bulk of youth to move towards education and equip themselves with technical knowhow, expertise, trade skill, public relations and entrepreneurship. Going by the present academic standard existing in most of the colleges and institutions, it can be rightly said that, a university degree is no guarantee of an interesting and well paid job. Academic performance is significantly impaired by teachers hired on contract basis or on part-time basis with as much low salary as possible. Most of the time to interview the applicants is spent on negotiations on the quantum of the consolidated salary to be paid. Such staff is rarely seen showing interest in their assigned duty rather diverting their energy and skills to tap the sources of other types of income at the cost of the time allotted to them to train the students.

Applicants with great flair and aptitude for teaching, research and training need be associated with temples of learning. Every graduate or tradesman that comes out of the portals of colleges, universities, or for that matter training centres must be capable of delivering like technologically advanced machines.

Agrarian economy to manufacturing economy: Time, money and skill may be utilised lavishly and effectively for the growth and development of the nation with focus on make in India investment. It doesn't mean that agriculture gets a step motherly treatment. If so, the very concept of make in India shrinks, tumbles and breaks down. Equal importance is inevitable for the development of the agrarian economy alongside the industrial economy. In fact, the need of the hour is to bring the agricultural industry into the fold of the manufacturing unit. Modern technology that emerges from the make in India scheme should be deployed to help the farmer on the farm lands to produce more in the shortest possible time.

Syllabus: The system of framing the syllabus once and retaining it for decades must be done away with. The contents of the syllabus shall be as vibrant as the students in the learning centre. It should meet the challenges of the frequent changes that are likely to crop up with the needs of the manufacturing unit. Intellectuals who are able to adapt to such variations and those who are innovation oriented are best suited for the job in view of the fast changing trend in the country.

Syllabus is one of the most important factor for providing training and imparting education to build a strong pool of skilled personnel. The basic concept or principles or for that matter fundamentals can never be ignored or side lined. But, at the same time the traditional system of age old techniques should be replaced with the techniques and tools that are needed in the modern manufacturing environment. The theory and the practical aspects of sharpening the skills shall be so well blended so as to be easily accepted by the systems installed in the latest technology.

4. RECOMMENDATIONS

A proper environment conducive to learning on one side and a manufacturing oriented bent of mind on the other side should be created. Every care should be taken to ensure that the time spent by the student in the campus is utilised for the purpose for which the campus is built.

A strong relationship between the teacher and the taught is built. Movement of students from desk to desk for purposes not related to learning and training for compliance of routine procedure should be discouraged and reduced drastically.

A mechanism to oversee the changes taking place in the manufacturing centre must be established. And render periodical and timely advice to the centres charged with developing the skilled force. The centres shall take prompt note of such advices and bring the desired changes in the curriculum and training schedule.

In fact, there shall be a well-knit team consisting of representatives of both the manufacturing unit and the training centres that can review the situation effectively. This team shall take stock of the issues regarding needs and wants and demand and supply of the two important players – manufacturing unit and the connected training or education unit

Conclusion: Make in India is not the one and the only nationwide programme announced and advocated so far. There have been quite a few announcements in the past, more so in the past three decades. It is a fact that none of the past announcements could create the type of awareness and attraction as the make in India programme.

Yes, from this point of view it is moving successfully towards the target of successful accomplishment of the envious scheme. The world leaders in the manufacturing sector are eagerly waiting for the day when ease of business policies, programmes and sops will be implemented to the satisfaction of the investors.

India is no more a land of ordinary people. The fact is that there is a big gap between the privileged and the under privileged. This gap has to be reduced considerably. Consortiums and partnerships have to be built on war footing. Universities and industries together have to play important role in developing the skilled labour, professionals and entrepreneurship zeal. The global campaign undertaken by the Indian government especially

by the Prime minister is unparalleled in the industrial history of India. It is highly commendable. It deserves support, encouragement and participation from the people of India yes, the entire nation. The day will not be far when the Indian industrial flag will fly high on the industrial map of the world.

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